MILLARD'S REVIEW

密勒氏評論報

中華郵政特准掛號認爲新聞紙類　　大正六年六月九日第三種郵便物認可

VOLUME IV　　SHANGHAI, CHINA, SATURDAY, MARCH 23RD, 1918　　NUMBER 4

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LIANG Shih-yih is back in Peking. It is a little bit too early to conjecture what he is likely to do there, but of this one can be certain: he is going to wield an enormous influence, whether for good or for bad, all depending on the point of view. However, judging from his past history, Liang, who, whatever his faults, is a great financial genius, will probably see to it that his investments will not suffer for want of good "management." In order that readers in America, and elsewhere for that matter, may understand who Liang is, it is necessary to state that he is the leader of the Chiaotung party; that he was one of the chief supporters of the late Yuan Shi-kai in his attempt to ascend the Dragon Throne; that he was later banished from the country as an enemy to the Republic; and that he was a month or so ago pardoned by President Feng. He had in the interim been sojourning alternately in Japan and in Hongkong, and passed through Shanghai this week on his way to Peking. In the meantime, Tong Shao-yi, one of the leaders of the Southern faction, is being received with great cordiality in official circles in Tokio, and, if one is to believe the professions of both these gentleman, they are working for unity in China; and, while that is a consummation which every foreigner in China earnestly desires, we are not very enthusiastic as to the outcome of any foreign pressure, or even suggestions, contributed in that direction. Any temporary pacifying effect thus obtained would probably result in future accentuated evil. We note that President Feng has replied to Mr. E. S. Little, the well-known Shanghai merchant, that his proposal to hold a peace conference in Shanghai is "premature."

UNDER the agreement entered into between the Powers and China, following the Boxer uprising in 1900, the United States Government was permitted to keep an expeditionary force of about two thousand men in China. This force is stationed at Tientsin and Peking, about fifteen hundred men being stationed at the former place and the rest stationed as a Legation guard in Peking. It has now been proposed to the American Government at Washington that the regular army troops stationed at Tientsin be recalled to America for service in France and their places taken by a contingent of the same number of men who are now in training in America at the various cantonments under the provisions of the selective draft. The idea originated with Major Arthur Bassett, judge advocate of the army contingent at Tientsin, and formerly U. S. District Attorney in China. Under the plan suggested by Major Bassett, the contingent of regular army troops now in China should be returned to America and sent to France as the men desire, and in their place the United States Government should send out fifteen hundred men, specially selected from the standpoint of education and training, who would be available upon their

retirement from service in China to engage in trade or other activities in China and the Far East. Major Bassett would select the new men for service in China largely from the great group of college graduates and students who have been drafted for service in France. He would bring these men to China and, in addition to their regular army drill, he would have them instructed in the Chinese language and in the customs, history and traditions of the country; and at stated intervals he would have them make trips into all parts of China for study and investigation. In short, these fifteen hundred men would receive a three years' college course on China, so that upon their retirement from the service they would be at liberty to engage in trade, missionary, educational or any other activity they desired in the Far East, or if they desired to return home they would possess information regarding China that would be of the highest value to China. The plan has been approved by the American Chamber of Commerce and other organizations in China and has been commended to the State and War Departments at Washington. It is also certain that this plan of a Citizens' Student Army in China would be welcomed by China, for it would be of the greatest possible assistance in bringing about a better understanding and mutual interest between East and West—something very necessary if the future peace of the world is to be maintained.

ONE of the greatest monuments to British skill is the Encyclopaedia Britannica, the standard work of reference throughout the world wherever the English language is spoken or understood. First published in 1768 in the modest form of three volumes, it has now grown to a magnificent set of twenty-nine volumes, these constituting the eleventh, and latest, edition. Although, as its name indicates, this Encyclopaedia is mainly British in character its contributors embrace many different nationalities, particularly Americans; and although to American writers was alloted the task principally of writing concerning affairs relating to America, yet their work has by no means been confined to such subjects. Most of the articles on modern industrial establishments were written by Americans, and (this merely by way of example) the biographies of many of the Roman Pontiffs were written by American publicists. Some day, no doubt, America will also produce an encyclopaedia which shall rival or excel this great British publication, but, in the meantime, the fact remains that the sale of the Encyclopaedia Britannica in America has been greater than in any other country, not even excepting Great Britain. Of the large-sized standard edition 75,000 copies have been sold in the United States, and of the smaller so-called handy-edition approximately 125,000 copies were sold there. An extensive propaganda is now being instituted in China to introduce this Encyclopaedia, and as nearly every foreigner out here can read the English language, and as the standard of erudition among foreigners in China is greater than that to be found among any group of men assembled together anywhere in the world, it is almost a foregone conclusion that the sale of this book among foreigners in China will be enormous. But the publishers look forward to even a greater sale among that vast body of foreign-educated English-speaking Chinese, who now, as never before, are anxious to acquire accurate information concerning the things that matter, and as the Encyclopaedia contains just that very information, it will naturally make a strong appeal to all English-speaking Chinese. One thing that the Chinese will learn by studying the Britannica is that the claims of the Germans for supremacy in the fields of modern science are greatly exaggerated, and that, as a matter of fact, many other countries have made many contributions to the scientific world for which the Germans have been getting the credit. It may be mentioned in passing that the Encyclopaedia, having been collated in happier days, a number of the subjects have been contributed by German authors, and as regards German affairs the reader will have the satisfaction of knowing that in these war days he will be getting his literary ammunition from the enemy.

SHANGHAI, on the whole, has been very lucky as regards what in former times were known as the "visitations of the hand of God," and we state this despite the recent severe epidemics of smallpox and scarlet fever, for, after all, these scourges are not nearly so deadly as the epidemics of cerebro-spinal meningitis, or spotted fever, as it is commonly known, which has proved so deadly in Hongkong and which has in the meantime reached Hankow, or pneumonic plague which, although from all accounts dying out in North China, has most unexpectedly broken out in Nanking. Energetic steps are being taken by representatives of Shanghai business men, officials and medical authorities to ward off this disease from the Settlement, and also to provide adequate isolation for any cases that might occur here. It is always to be remembered that when once a patient contracts a genuine case of pneumonic plague there is no hope for him, and practically the only result of the investigations of the Plague Conference at Mukden some years ago was to confirm the fact that there was no authentic case of recovery; at least the report says "the general experience has been that no method of treatment has been of any avail in saving life." It is not probable that the experiences of the authorities in North China, where the native population resisted the regulations which had been instituted to fight the epidemic,

will be repeated here, this principally because the native population here has more knowledge of, and confidence in, foreign management than populations in the interior have. And yet it is to be remembered that some six or seven years ago the native populations of this Settlement resisted most emphatically the regulations which the Municipal Council was then enforcing, or trying to enforce, to combat the epidemic which was just then making its beginning.

ONE of the unfortunate incidentals of the fight against the epidemic above referred to was the attitude of the large and powerful landlords, who derive an enormous revenue from the letting of houses of a most unsanitary nature for native occupation. When it came to the point where the native population began to leave the Settlement in large numbers in order to escape the regulations which were being enforced these landlords used their influence to modify these regulations; and, without going into matters in detail, the facts of the situation in Shanghai to-day are that the large landlords, whose principal business it is to rent out premises to Chinese, use their influence to prevent the introduction of adequate sanitary measures such as, for instance, are in force throughout America and in many other countries —and all the more necessary here because of the greater number of virulent diseases endemic in this part of the world. Shanghai cannot always hope to have the present run of luck in these matters continue, and if the present scare--we hope it will be no more than a scare—will have contributed towards putting Shanghai on a proper sanitary basis and arousing the business community to the necessity of coercing the landlord class into rendering effective assistance it will have served a most useful purpose. As was explained in the article entitled "Rockefeller's Millions to the Relief of China" appearing in the REVIEW February 9, many millions of dollars are being expended in China to investigate into the causes and to provide means of preventing the spread of virulent diseases in China, and we learn that a sum of approximately three million gold dollars has been allocated by the Foundation for research and preventive work in Shanghai. We earnestly hope that this work will be commenced at the earliest possible moment, not only in order that it may be authoritatively brought to public attention what the forces are that seek to have Shanghai continue the even, but unsanitary, tenor of its way, but that these evil forces may be overcome and Shanghai put on a modern, sanitary and healthful basis, as it can be and ought to be done. Modern sanitary science has made Manila one of the healthiest cities in the world, and conditions in Manila fifteen years ago were even worse than they are here.

BECAUSE of the favorable exchange, foreigners in China whose salaries are in Mexican or Chinese currency find themselves in a fortunate position, for instead of their Chinese dollars being worth less than fifty cents in gold, as they were a comparatively short time ago, their Chinese dollars are now worth from seventy to seventy-five cents in gold, with the prospect of further increase. This means that many Americans and other foreigners, and Chinese as well, now find themselves receiving salaries far in excess of anything imagined three years ago, and with the increase has come the tendency, as mentioned in last week's issue of the REVIEW, on the part of many persons to make reckless investments, some of which may turn out well and others may not. It is every man's privilege to invest his money in any way that he desires in ordinary times and it is not the purpose of the REVIEW to offer advice in this important matter, except in one direction. And that direction is, to assist America and the other Allies in winning the war. Americans in China, whether they are missionaries, engineers, salesmen, physicians, teachers or government employees, haven't much of an opportunity to be of service in connection with the prosecution of the war. Letters from home are full of the spirit of service and sacrifice, and there is many a pricked conscience among the seven thousand and more Americans in China at their inability to share in the sacrifice and effort that all feel is to result in a better world.

THERE is, however, one way in which every American in China can contribute his part towards the winning of the war, and that way is in lending his or her money to the government. The American Postal Agency in Shanghai has received a large supply of United States War Savings Certificates. There isn't an American man, woman or child in China that cannot purchase a War Savings Thrift Stamp. The stamps during the present month cost G.$4.14. In April they will be worth G.$4.15, and in May G.$4.16 and so on until January 1, 1923, when they will be worth G.$5. The stamps may be purchased one at a time or a full G.$100 certificate of twenty stamps may be purchased this month for G.$82.80, the limit for any one individual being G.$1,000. In order to facilitate the sale, the American postmaster has recommended that persons desiring War Savings Stamps should first purchase from any reliable bank in China a gold draft on San Francisco and then use this draft in the purchase of the stamps at the American Post Office. Of course, if the purchaser possesses United States currency, so much the better, for the expense and trouble of changing Chinese currency into a gold draft may be avoided. The purchase of these American War Savings Certificates is of

course open to Chinese, and it is gratifying to know that hundreds in Shanghai have already availed themselves of the opportunity. These certificates bear interest at the rate of four per cent compounded quarterly and may be turned into cash at their face value at any American post office. The most important part of the transaction is that they are an *absolutely safe investment* and the possession of a certificate means that the purchaser is *helping to win the war:* in short, is doing his or her "bit." In case any further advice on this subject is needed, here is what Mr. Frank A. Vanderlip, president of the largest bank in America, who has resigned his job and is now working for the government at the rate of one dollar a year, has to say: "There is not one of us who could not cut down his expenses to a standard. We can all save and as it gets into our souls and we begin to understand what this war means and how our personal responsibilities should be felt, we will have a unity of purpose that will sweep us on to victory. Let us buy Thrift Stamps with the money that we are able to save every day and every week out of our regular expenses. If we all do this, this money rattling into the Treasury will make a noise that will be heard at the Brandenburg Gates in Berlin, and it will be a very discouraging sound to the Germans."

IN order that American bankers, manufacturers and other business men may be better informed of China from the standpoint of territory, population and leading products, the American Chamber of Commerce of China at Shanghai has prepared a map of China. The map is about two feet by three feet in dimensions, and in addition to showing the provinces of China, including Tibet, Chinese Turkestan, Mongolia, Manchuria and Korea, it shows Japan, part of Siberia, the Philippines, French Indo China, Siam and India. The map is in colors and is mounted on cloth. It shows the railroads of China and all American consular stations in the entire Far East. It was prepared under the direction of Julean H. Arnold, American Commercial Attache, and will be sold to American firms in China at Mex. $2. The actual cost of the map is Mex. $1, so that by selling it to American firms at Mex. $2, the Chamber of Commerce will be able to send copies of the map free to the various chambers of commerce and trade bodies at home where the members are interested in foreign trade. The map is most sensibly prepared in that it contains no confusing details and for practical purposes of the average American business man interested in the Far East it is most valuable.

THE action of the Chamber of Commerce in preparing this map of China is most commendable and it is to be hoped that every American firm in China will purchase copies to be sent to all business connections in America and elsewhere. If this is done it will enable the Chamber of Commerce to send free copies of the map to each of the thousand and more chambers of commerce and important trade bodies in the United States, where a knowledge of China is woefully lacking. China's greatest need is publicity both at home and abroad, and this is a subject that has been discussed perhaps with greater frequency in this REVIEW than any other. If China can not take the proper action, then it is the work of the foreign interests in China to do it for China, and it is to be hoped that chambers of commerce of other nationalities than American will take the same action. The publication of the *New Atlas and Commercial Gazetteer of China*, through British interests, was another move in the right direction, and the great number of copies of this work that were sold is bound to do much in breaking down the ignorance that exists in other parts of the world regarding this important country. It hasn't been many years since an American congressman made the statement in the Congress of the United States, "What do we care for abroad?" and in the London *Statist* of January of this year we find the statement, "it is disgraceful that there should be so much ignorance (in England) as there is of the outlying portions of that Empire amongst those who, in the last resort, have the power to ensure good government or to permit bad." In an editorial comment from the *New York American* published elsewhere in this issue, the statement is made by Mr. Morganthau, former American Ambassador to Turkey, that there are at present not more than one hundred men in America who are capable of thinking in international terms. If the peace that is to follow the present war is to mean anything, it must be followed by a study of the present world as it is

MILLARD'S REVIEW
OF THE FAR EAST

PUBLISHED AT NO. 113 AVENUE EDWARD VII, SHANGHAI CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

THOMAS F. MILLARD, Editor — J. B. POWELL, Associate Editor

YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, MEX. TEN DOLLARS IN ADVANCE, POSTAGE INCLUDED, IN CHINA AND THE FAR EAST. IN THE UNITED STATES FIVE DOLLARS U.S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND CLASS MATTER IN THE AMERICAN, CHINESE, BRITISH AND JAPANESE POST OFFICES AT SHANGHAI IN MAY, 1917.

J. L. HUTCHISON
NEW YORK REPRESENTATIVE
ROOM 529. 17 BATTERY PLACE
NEW YORK, U.S.A.

and not as it was two thousand years ago —and this applies to China just as it applies to America, Great Britain, France and other countries.

WHAT may be the beginning of a China Society in America, was a luncheon held at the Century Club in New York on February 8. Charles R. Crane, who was appointed Minister to China by President Taft, and who very recently returned from Russia where he went as a member of the special American Mission of which Elihu Root was the head, was the host of the occasion. Among those present were Dr. John C. Ferguson of Peking; James A. Thomas, director of the British-American Tobacco Company; Roger H. Williams, vice-president of the Manchurian Development Company; Charles B. Hurrey; Chang Po Ling, head of Nankai School, Tientsin; C. H. Wang, former president of the Chinese Christian Association and a brother of C. T. Wang; S. J. Chuan, secretary of the Chinese Students Association of America; William Hung, secretary of the Chinese Intercollegiate Y. M. C. A.; Stewart Yui, editor of the *Chinese Students' Monthly;* H. L. Huang, honor man at Princeton University; F. S. Brockman, former general secretary of the Y. M. C. A. in China; and Thomas F. Millard. A delayed train prevented Bishop J. W. Bashford from being present. Speaking as one in close touch with the Washington Government, Mr. Crane said that he felt that Chinese need have no uneasiness regarding the policy of the United States as evidenced by the Lansing-Ishii notes. The situation of China was discussed informally, and a generally optimistic tone prevailed. The sense of those present was that frequent meetings of this character should be held with a view to keeping China and America in closer touch with each other.

ALTHOUGH it is probably true, as has been stated in recent telegrams, that the Germans are disappointed in their expectations as to the amount of supplies they would find in South Russia, this condition is at most only temporary, for the Ukraine has an enormous acreage of fertile farm lands. Though it comprises only one-sixth of European Russia it has 32 per cent of all the farm land. Of the total area of the Ukraine 53 per cent is farmed. Of all the other European countries only France, with 56 per cent surpasses this record. Despite primitive methods of cultivation the Ukraine produces annually in wheat, rye, and barley alone, 33,000,000,000 pounds, which is equivalent to one-third of the output of all Russia. The sugar beet production of the Ukraine is five-sixths that of all Russia. In peace times the Ukraine had 30,000,000 head of cattle, or one-third of the Russian total. In sheep, goats, pigs, and poultry the region possessed one-half the entire Russian supply. The Ukraine is also rich in iron, the mines of which lie principally in the region of Khersón. From these mines in 1905 60 per cent of the entire Russian output was taken. One-sixth of the world's whole supply of manganese and all the mercury produced in Russia also come from the Ukraine. The coal deposits on the Donetz have produced as much as 75 per cent of all the coal mined in European and Asiatic Russia, and 99 per cent of Russia's anthracite coal came from the Ukraine before the war. The production of coal in the Donetz region in one pre-war year was over 28,000,000,000 pounds. Other forms of mineral wealth are petroleum, ozocerite, peat, phosphorite, kaolin, etc.

AN international free press as one of the fruits of the present war is the ideal for which the Press Congress of the World is working. Mr. Walter Williams, dean of the School of Journalism, University of Missouri, who is the president of this organization, is doing valiant work in aid of this much-to-be-wished-for consummation. In a recent bulletin, Mr. Williams states that not only a national but an international free press is needed to remove the constant recurring danger of strife between nations. Suspicion and jealousy and national antagonism are largely founded upon ignorance. It is what we do not know in our neighbor nation that we fear. It is what he does not understand regarding us that causes distrust and dislike. If the people of one nation knew the hopes, aspirations and life interests of other nations, and were free to learn from a free press, many present causes of strife would never exist. The friendship between Canada and the United States, a friendship that made unnecessary forts or armed guards upon boundary lines, has resulted in a large measure from an exchange of the people's thoughts, knowledge by each nation of the public opinion which determined the policies of the other nation. This has been possible because of a press circulating free on both sides of the border. Controlled or subsidized news-agencies used to misinform, or inflame or irritate by the government of one country, could have so provoked the other country as to bring on war. What is true of the relations between Canada and the United States is equally true, though in different and varying degree, of the relations between all other nations. When terms of peace are written it will not make so much difference what boundary lines are temporarily marked upon the world's map if the people within those boundary lines are permitted to express themselves freely

and to talk over them at will and without fear of restraint. Division fences are most dangerous when they are elevated into impenetrable and unscalable walls. Agreement upon freedom of the seas is desirable that the world's commerce of material freight may be carried by merchant navies without hindrance, but agreement upon freedom of the press is necessary that the world's commerce of opinion may be carried far and wide to all lands. An international free press would mean real disarmament.

America's First Foreign Banking Venture

THE January issue of *The Americas*, a magazine issued by the National City Bank of New York, contains an interesting account (illustrated) of America's first foreign banking venture. Prior to the passage of the American Federal Reserve Banking Law in 1913 no American bank had, or could have, under the Law a branch outside of the United States. Also, prior to the passage of this Act, the United States did not have a government bank in the sense of the Bank of England, the Bank of France, the Imperial Bank of Germany, the Bank of Japan, Bank of Russia, and so on. These facts should make it easier for citizens of other countries to understand why it has been more or less difficult for American bankers to engage in financial affairs outside of their own country. When an American banker is approached for a loan, his first question is, "What about the security?" This question is not an indication of Yankee shrewdness so much as an indication that prior to the passage of the Federal Reserve Banking Act, American banking was essentially private banking. The cashier and president of an American bank is accountable to his stockholders—the people who own his bank and the thousands of depositors in his bank. He has never been able to fall back on his government to force payment for foreign loans. This was illustrated recently in Peking, when one of the head officers of the Japanese Mitsui organization laughed at the anxiety of an American banker regarding the security for loans made in China. "We always go ahead and make our loans and then let our diplomats worry about the security," was the statement of the Japanese banker, and he was right, for Japanese loans made in China are in reality governmental loans, although they may come through any one of the half-dozen Japanese banks that have branches in China. The American government has always been more or less reluctant to permit its bankers to engage in international financial affairs. This was well illustrated before the war when President Wilson caused the American members to withdraw from the Four-Power Currency Reorganization Loan to China, because of his belief that the loan would result in an infringement on the sovereign rights of China. That President Wilson did right, practically all now agree, although there was a large group of Americans in China at the time who believed that American participation in the loan would tend to prevent the "infringement on the rights of China" that the President feared.

When the American Federal Reserve Act was passed in 1913, a clause was inserted in the Act permitting any American bank with a capital of one million dollars (gold) to establish branches in foreign countries and to act as the fiscal agent of the Government. The National City Bank of New York was one of the first American banking institutions to avail itself of the opportunity to engage in foreign banking enterprise, and although less than five years have elapsed since the passage of the act it has accomplished much in this connection.

According to a map published in the January issue of *The Americas* the National City Bank and its associate, the International Banking Corporation, now have branches in Europe at the following places: London, Copenhagen, Petrograd, Moscow, Milan and Genoa. In Central and South America and West Indies at the following cities: Havana, Santiago de Cuba, Santo Domingo, Santiago de los Caballeros, San Pedro dé Macoris, Puerto Plata, Panama, Colon, Medillin, Caracas, Bahia, Rio de Janeiro, San Paulo, Santos, Montevideo, Buenos Aires and Valparaiso. In the Far East at the following places: Peking, Tientsin, Shanghai, Hankow, Canton, Hongkong, Kobe, Yokohama, Manila, Cebu, Singapore, Batavia, Calcutta and Bombay. The matter of establishing branches in foreign countries on the part of the National City Bank of New York was greatly facilitated in 1915 through its gaining control through a purchase of a majority of the stock of the International Banking Corporation, which previously had been a British institution established in 1901. The remarkable growth of these institutions since the beginning of the war has been discussed previously in this REVIEW, so the following condensed statement of their resources and liabilities is timely:

The National City Bank of New York

CONDENSED STATEMENT

January 15, 1918

RESOURCES

Loans, Discounts and Securities	$526,911,849.10
Due from Banks	23,405,707.13
Due from Branches	20,947,940.34
Due from Clearing House	39,412,581.77
Cash	19,480,991.72
Due from Federal Reserve Bank	108,418,625.55
Other Resources	44,029,055.31
Total	$782,606,750.92

LIABILITIES

Capital	$ 25,000,000.00
Set aside as Capital for Foreign Branches	6,000,000.00
Surplus and Undivided Profits	42,561,739.22
Circulation	1,758,200.00
Deposits	653,156,696.46
Other Liabilities	54,130,115.24
Total	$782,606,750.92

International Banking Corporation

CONDENSED STATEMENT

at Close of Business June 30, 1917

RESOURCES

Securities and Investments	$ 3,444,258.97
Time and Demand Loans	20,409,258.22
Bills, Remittances in Transit, etc	29,139,055.45
Cash on Hand, Bullion, etc	9,168,791.25
Commercial Credits	6,076,616.70
Total	$68,237,980.59

LIABILITIES

Capital	$ 3,250,000.00
Surplus	3,250,000.00
Profit and Loss	1,348,576.84
Dividend Payable October 1	97,500.00
Deposits, Time and Demand	27,695,741.13
Bills and Accounts Payable	25,559,431.92
Notes in Circulation in China	960,114.00
Commercial Credit Acceptance	6,076,616.70
Total	$68,237,980.59

Since we are interested especially in the growth of this institution as it affects American trade in China, a discussion of the work of the institution in this connection, and of the problems that it has had to face, will be of interest. Previous to the war the only foreign banks represented in China were European banks and Japanese banks, and there was no special need for American banks to handle American business with China. This was also largely true of China's foreign trade. Now, however, there has been a shift in China's foreign trade, as is shown in the following information, which also is from the January issue of *The Americas*:

China's foreign trade in 1916, notwithstanding the world-war and the grave shortage of tonnage on all seas, was the largest ever recorded in her history, and amounted to 998,204,000 Haikwan taels. This is an increase of more than 125,000,000 taels over 1915, and exceeds the previous banner year, 1913, by 25,000,000 taels. The combined trade of the Entente Powers with China since the war began has been as follows:

	1916 Hk Taels	1915 Hk Taels	1914 Hk Taels
British Empire	163,107,000	170,658,000	191,876,000
France	30,099,000	32,901,000	30,542,000
Russia	91,208,000	76,425,000	65,614,000
Italy	6,665,000	9,754,000	6,543,000
Belgium	7,000	3,464,000	23,381,000
Portugal	0	1,000	25,000
	291,086,000	293,203,000	317,981,000

Turning to the neutral nations, and among these we shall have to classify Japan and the United States, we find the following results in their trade relations with China during the war:

	1916	1915	1914
Japan	273,412,000	197,926,000	191,736,000
Korea	15,106,000	12,104,000	9,512,000
United States	125,904,000	97,622,000	81,444,000
Philippines	3,367,000	4,432,000	3,095,000
Holland	1,336,000	2,675,000	6,457,000
Dutch Indies	7,655,000	9,462,000	9,516,000
Norway	1,190,000	592,000	423,000
Sweden	3,037,000	1,148,000	1,422,000
Denmark	2,288,000	1,854,000	1,067,000
Spain	19,000	96,000	258,000
Switzerland	1,000	16,000	89,000
Siam	3,575,000	3,620,000	2,328,000
Mexico and Central America, incl. Panama	0	1,000	402,000
South America	86,000	45,000	43,009
Total	442,016,000	331,593,000	207,792,000

Thus the trade of neutral nations with China during war time increased 112 per cent, while that of the Entente decreased 8.4 per cent, and that of the Central Empires 93 per cent.

Since the National City Bank of New York and the International Banking Corporation only entered the Chinese field since the beginning of the war, it has suddenly found itself doing a volume of business almost equal to that of the long-established European banks in this field. This has brought about complications in many directions and it has brought forth criticisms, especially among Americans, that the bank has not been properly fulfilling its functions. In some of these criticisms this REVIEW has joined, so it is only just and proper that both sides of the question should be discussed. In the first place, there is an essential difference between American and European bank practice. From the standpoint of the European banker, he is doing his customer a favor when he accepts the customer's business at all. From the standpoint of the American banker, he is the servant of the public. A glance through any American newspaper will show bank advertisements wherein the banker offers to "accept deposits as low as $1," "Your account is respectfully solicited," "You will receive the same attention as though your business with the bank amounted to a million dollars a year," and so on. This is strange language to the average European banker, especially in Shanghai, where a personal bank account and a personal check for a sum less than fifty dollars is a rare object. In the past, when the foreign trade of China was in the hands of a few foreign firms, the Chinese compradore was the personal banker of the town. When an employee needed money to pay his board bill or his tailor, he simply wrote an order on the compradore of his firm and the compradore paid the bill and charged it to the salary or commission account of the employee. Five years ago if a man had walked into the Hongkong & Shanghai Bank and tried to cash a check for five dollars, he would have created a sensation, to express it in mild language. Now, with the greatly increased

and rapidly increasing foreign population of Shanghai and the other ports of China, the element of personal banking has been injected into the banking business of the communities. This has brought complications in banks that have never done this business and furthermore have never wanted to do it. It is asking a good deal to expect the manager of a large foreign bank in China to give thirty minutes of his time to the detail of cashing a draft of a hundred dollars for a tourist or a woman customer, when it may interfere with an international exchange transaction with a broker for a half million dollars upon which the bank does make some money. This is a matter that the International Banking corporation has to solve, for the matter of handling its share of local banking business of Shanghai and the other ports of China is important and may have an indirect bearing on its other business.

Another handicap the institution has had is in obtaining a sufficient supply of trained men from the home office in New York. Since American bankers have never been trained in the matter of exchange, it has been impossible to get men to send out to manage or work in the foreign branches. To remedy this defect, a school in foreign exchange banking has been established in New York in which college men receive training for a certain period after which they are sent to work in the London branch of the bank until the exchange business is mastered. Then they are sent out to the branches of the institution in China and other parts of the world. It is needless to state that the operation of the draft in America has worked against obtaining a new supply of men during the war. In case the war continues for another year this condition will become worse, and the bank is not the only business institution that is suffering from the same handicap. One American business firm in China in the last few months asked the home office for one hundred and fifty salesmen for China and received six only.

And then another matter, which is the most important of all; the development of a banking business in China among the Chinese business men themselves. In the REVIEW a few weeks ago the statement was made that the next few years are bound to bring a period of great industrial development in China both among purely Chinese industries and in cooperative foreign-Chinese enterprises. In this connection it was implied that the American bankers were not doing their share as compared with the activities of Japanese and certain European bankers represented in this field. It was not intended to imply that the American bankers were doing nothing in this connection, for much has been accomplished. That more has not been accomplished is due not so much to lack of initiative on the part of representatives in China as to unfamiliarity in the home office in New York as to the requirements of the field. It is a most unfortunate condition that very few of America's financiers have ever been in China. A man in New York may read every book that has every been printed on China and the Far East and he may study every map that has been produced but he will never have a full understanding of the field until he visits and investigates it himself. This is one of the main reasons why the government of China and why several important Chinese commercial organizations have indicated that they would welcome an American business commission to China to make a detailed study of the country and to formulate plans whereby America might be of material assistance in helping China solve many of the problems that are bound to confront this country in its development after the war. American business men can not escape the responsibility that their country assumed on its entrance into the world war. If Mr. Morganthau, former American ambassador to Turkey is correct when he states that there are not more than one hundred men in America who are capable of thinking in international terms, it's a sorry and dangerous condition that must soon be rectified.

J. B. P.

The Problem of American Investments in China

BY F. H. HUANG

THE success of Viscount Ishii in effecting the Lansing-Ishii agreement has led the Japanese government to appoint another financial mission to the United States—this time led by Baron Tanetaro Megata, formerly financial adviser to the Korean government. One of the avowed purposes of the Megata mission is to seek the cooperation of the United States in the development of China's natural resources. It is contended that such joint endeavor would be not only profitable to the two countries (Japan and the United States), but of the greatest possible good to China, since by dealing with her fairly, the two countries could be of the utmost assistance to her material prosperity; and if China were prosperous industrially and commercially, many of her present troubles would disappear. To a casual observer, such a statement may be regarded as a definite expression of Japan's benevolent intent toward China and the United States. But a careful examination of Japan's record in the last two decades will reveal that Japan has neither been fair nor just in her industrial undertakings in China.

The case of the South Manchurian railway affords a striking instance as to the character of Japanese investment in China. Japan's victory over Russia in 1905 transferred to Japan certain rights and privileges which Russia had previously

obtained from China. One of the important concessions was the transfer of the section of Manchurian railway south of Changchun which had been seriously damaged during the Russo-Japanese war. For the repair of the existing line and for other improvements in connection with it Japan had to borrow from her ally, Great Britain. With the money obtained from Great Britain Japan hastened to complete repairs and then forced China to consent to the building of the Antung-Mukden line and other railways in South Manchuria.

The monopolistic railway enterprise in South Manchuria is of course profitable. This profit has enabled Japan to inaugurate the notorious rebate system and other preferences in favor of Japanese subjects and to carry on the multitudinous enterprises involving systematic colonization and aggressive exploitation. As a consequence, the open door principle and the sovereign rights of China have been seriously infringed. Japan's prompt rejection of China's proposal to build the Fakumen railway with British engineers and capital and of China's plan to construct the Chinchow-Aigun line, clearly indicates her determination to obstruct China's own constructive measures and to monopolize the whole railway investment in South Manchuria. Japan has *not* been fair to China in her industrial undertakings in South Manchuria.

Not alone has Japan been agressive and exclusive in her activities in South Manchuria. But her industrial undertakings elsewhere are equally obnoxious and abusive. Her desire to seek political control through industrial investments in China is sufficiently demonstrated by her attitude toward the Hanyehping company. This company consists of three great enterprises —the Hanyang iron and steel works, located at Hanyang; the Tayeh iron mines, about sixty miles from Hanyang; and the Pinghsiang mines situated in Kiangsi province at a distance of about two hundred and fifty miles from Hanyang. This company is a Chinese company. During recent years it has borrowed certain sums of money from Japanese sources. In 1915, Japan suddenly demanded that China make the Hanyehping company a joint concern of the two nations and permit no mine in the neighborhood of mines owned by the Hanyehping company to be worked by persons outside of that company. This demand was not only special and exclusive in itself, but carried with it provisions in the interpretation of which it might well exclude other nations and intrench Japanese interests in the industrial development of the Yangtze valley. Japan has *not* been fair and just toward China in her dealings with the Hanyehping company.

If Japan is disposed toward unfair practices and if Japan is inclined to seek political control through industrial investments in China, is it wise or just for the United States to enter into joint partnership with Japan in the development of China's natural resources? It is true that Japan, in her recent agreement with the United States, has again pledged herself to respect the open door and the territorial integrity of China. But how often have these pledges been made only to be followed by the flagrant violation of both? In the Anglo-Japanese Alliance of 1902 and 1905 and 1911, in the French-Japanese convention of 1907, in the Russo-Japanese agreement of 1907 and of 1910, and in the exchange of notes between Japan and the United States in 1908, Japan has invariably declared her adherence to the open door principle and her respect for the territorial integrity of China. And yet, in spite of all these pledges, Japan, with the prestige of sheer force, has created a railway monopoly and has resorted to unfair practices in order to gain the lion's share in the foreign trade of South Manchuria. She has endeavored, and is still endeavoring, as the present controversy over the Fenghuangshan iron mine indicates, to control the iron mines in China, to say nothing of the flagrant twenty-one demands of 1915. Thus far, Japan has been acting quite to the contrary of her promises. Will the Lansing-Ishii agreement of 1917 be more binding to Japan than the earlier agreements and treaties?

In questioning Japan's motive in seeking American cooperation in the development of China's natural resources, it is not the intention to discourage American investments in China. Quite to the contrary, the traditional friendship between the two great Republics on the Pacific coasts should be made permanent through the development of closer economic relations. There is no question that China offers the greatest opportunity for American money and constructive genius. Her immense natural resources and her almost inexhaustible supply of highly efficient, low-cost labor have in store great possibilities for enterprising American capitalists. But in making their legitimate investments in China, the American capitalists have no need for Japanese cooperation and partnership. The return of the surplus portion of the Boxer Indemnity, the generous help in famine relief and in the suppression of the opium traffic, and the benevolent work that is being done by the Rockefeller Foundation and a few of the missionary societies have justly earned for the United States a Chinese good-will which may well be utilized for cooperative enterprises. Moreover, the success of Jeme Tien-yu, an American-trained engineer, in the construction of the Peking-Kalgan railway, and the success of many other returned students from the United States along other lines, speak well for the constructive ability of the fourteen hundred Chinese

students who are now receiving instruction in the American colleges and universities. It is not only a sound business policy, but it is also a matter of pride, that the American financiers should make use of these students as railway engineers, skilled mechanics and business managers in their enterprises in China. With the Chinese good-will unimpaired, with China's raw materials and labor amply supplied, and with the constant increase of Chinese students with American training, the American capitalists may well help to develop China's natural resources with Chinese cooperation and assistance, thus obviating the expensive brokerage of Japan, whose real motive is not beyond suspicion.—*From the Chinese Students' Monthly.*

Siberia

IN view of the fact that public attention in the past month or so has been directed, principally because of the proposal to dispatch Japanese troops, to that enormous tract of the world's surface known as Siberia, it is *apropos* to discuss what sort of a place it really is. Siberia, in common with many other parts of the world, has suffered in public estimation through the circumstance that the popular conception of conditions is several decades behind the times. Just as most schoolboys, and not a few grown persons, in the eastern part of the United States still picture the plains of the Western states infested with painted Redskins, so the word Siberia conjures up in the mind of the average person visions of gloom and terror. Notwithstanding the development of the newspaper and the telegraph, the ideas of mankind as a whole are very much localized and are generally based on the reading of literature describing a state of affairs which no longer exists. Despite the great output of books and the millions of columns that have been contributed to the American press on conditions in China (this merely by way of example) the conception of the man in the street in America of what the Chinese are like is most likely to be based on Bret Harte's "Heathen Chinee;" and although the Revolution in China occurred more than six years ago we note that American cartoonists quite frequently base their pictures concerning Chinese affairs on a Celestial laundryman with a queue, and as a result produce something that is merely grotesque and not really a caricature of the Chinese as we know them in their own country.

Up until the last two or three decades the principal use that the government of Russia made of Siberia was as a penal colony, and the horrors of the system have been told over and over again in the literature of nearly every language; and while it is probably true that Russia used harsh and repressive measures in dealing with the people whom it wished to punish, still on the whole when the true history of Siberia comes to be written it will probably be found that, apart from the rigors of the climate, the convicts in Siberia did not suffer much more than convicts have, in previous times, suffered in similar penal colonies, for instance in Georgia (colonial America) and Australia. While it is true that many an innocent man has been sent in exile into Siberia because he had committed—or was accused without having any opportunity to defend himself—some act prejudicial to the reigning bureaucracy, it seldom occurred that such a man was ill-treated; the great majority of the convicts in Siberian prison camps were in all probability there for the same reasons as apply to prisoners behind the bars in most other parts of the world. It so happens that the Russian Government has had to contend with criminals of no mean ability, for instance with the most able, impudent and persistent counterfeiters the world has ever known. Here are a few examples of their work: Genuine Russian paper money is a masterpiece of the engraver's art and most difficult to counterfeit. In very fine lettering there is a clause which mentions the penalty attached to counterfeiting. About ten years ago the country was flooded with counterfeits so skilfully executed that they were in circulation for months before someone by accident discovered that the counterfeiters, to show their contempt for constituted authority, had in their false notes inserted in the place where the penalty for counterfeiting ought to have been a clause saying that the government would confer the order of St. Stanislaus on anyone who discovered the counterfeiters. Counterfeited silver roubles were in circulation in Siberia for several years before it was discovered that the counterfeiters in making the milled edge of the coin had woven around it a sentence in Russian which, freely translated, meant "Expert silversmiths' work from Chita."

Political prisoners in Siberia in the great majority of cases were allowed comparative freedom. They were merely exiled, and could delve, dig, sow and reap as much as they liked, and as most of them did. Russia sent some of its best brains to Siberia and as a result the younger generation of Siberia measures up to a higher standard than that obtaining in Russia itself. In fact, when one comes right down to it, taking things on the average, there has probably been less suffering in Siberia than there has been west of the Urals in the Tzar's domain. At any rate, the present day Siberian, male or female, is a splendid "animal" physically, as visitors to Vladivostock have frequently remarked.

There is no getting away from the fact that the climate of Siberia is severe, and no district more dismal than the frozen *tundra* of

the north in the depth of winter can be found anywhere. But there is little occasion now, and probably will not be for centuries to come, for anyone to inhabit those northern regions. Siberia has an area of considerably over four million square miles. The population at the outside is only thirteen million, and this is mostly confined to the regions bordering on the waterways, the old trans-Continental trails and, of course, the trans-Siberian Railway. This enormous tract of the world's surface is for the greater part uninhabited, and the southern half of it, at least, compares very favorably with Canada for settlement purposes. Siberia to-day is the only "white man's country" still awaiting the advent of the pioneer, and when railway communication has once been established on a commensurate scale and a stable government instituted, this part of the world will undoubtedly rival in its rapid development the western states of America and Canada.

In speaking of the development of Siberia it is to be borne in mind that apart from mining and forestry the field for the present is mainly open for the agriculturist; commerce will follow the farmer. Even with the soil of Siberia only scratched here and there, there is already an enormous business being done in argricultural implements and in this line the American product has a good lead. Practically the only harvesting machines in use are those supplied by the International Harvester Company. There is a great undeveloped field for mining in Siberia, although there has in recent years been considerable gold mining carried on, particularly along the Lena River; but the fact remains that the production of another yellow product, namely butter, is an industry of greater importance to Siberia than gold mining. The Siberian butter manufacture and export trade is mostly in the hands of non-Russians, the pioneers in this line, as was only natural, having been Danes. There are approximately six hundred "creameries" in western Siberia, mostly in the neighborhood of Omsk and Tomsk. About fifty thousand tons of butter are annually shipped out of Siberia in normal years, the principal destinations being Scandinavia, England and Germany. In its present undeveloped state Siberia to-day, as was the case in the western part of America until a decade or two ago, is mostly a grazing country. Hand in hand with the production of butter there is naturally a large output of tallow and hides, and previous to the outbreak of war there was a constantly increasing export of these articles, mostly to Germany. The Russians, like the Chinese, are inveterate duck-breeders. Roast-duck is one of the favorite dishes of the Russians, and particularly of the Siberians, as travellers along the trans-Siberian Railway soon have it impressed upon them—cold roast-duck being offered for sale by numerous vendors at every little railway station. This matter of ducks is mentioned here principally to explain that there is a large export of duck-feathers from Siberia. Great herds of sheep are also raised, and in this connection a most unusual industry has been developed, for, despite the war, the demand for sausage-casings, particularly from America, has been so great that American buyers have during the past year or so scoured the Siberian market in order to secure the available supply of salted sheep's intestines and, notwithstanding that in order to get shipping facilities much of this cargo had to be shipped at baggage rates, quite a considerable business was done.

The great future of Siberia during the coming decade lies in the production of wheat, of which there has been, until the outbreak of the war, a rapidly increasing cultivation. While the summers in Siberia are short, vegetable growth is exceedingly rapid, for it is always to be remembered that, although in northern latitudes, the number of summer-days is small, their length is great, and with the sun appearing about three o'clock in the morning and still visible after eight in the evening, the growing crops are stimulated to a growth during the summer time only rivalled in tropical regions.

When one bears in mind that to this day large sections of Vancouver Island (British Columbia) are still unsurveyed, it is not surprising that there are huge tracts in Siberia which have not yet been explored. Just as Parkman wrote of America a century ago, so the present day writer can say of many parts of Siberia: "This is the forest primeval." Larch and fir are particularly abundant, but nearly all the usual forest timber abounds in large quantities. The sound of the woodman's axe and the hum of the sawmill have never been heard in many parts of this little-known land, and in fact it will probably be several decades before it will be as, owing to lack of shipping facilities, the expense of getting the lumber to "civilization" would preclude any profit. It is to be remembered in this connection, however, that the Russians are by no means blind to the possibilities of lumber development, for, as a matter of fact, in its ultimate analysis the Russo-Japanese war had its inception in the support given by the Russian government to Russian lumbering activity along the Yalu river.

G. W. M

Should Japan Be Allowed to Seize Siberian Territory?

From the New York American

A FEW weeks ago Henry Morgenthau, former Ambassador to Turkey, said, in a public address, that there were not over a hundred men in the United States who were capable of thinking in international terms.

Whatever the number may be, those Americans who *are* capable of thinking in international terms must be deeply alarmed by the success of Japanese diplomacy and the situation created by that diplomacy.

We do not know whether there is a danger of the Japanese joining with Germany which makes our Government so considerate of Japan, or whether our Government is merely unsuspecting of the very obvious designs of Japan.

But lately American newspapers have congratulated the American people upon the report that Japan is ready to take the East Siberian provinces of Russia and to prevent those provinces from falling into the hands of the Bolsheviki. . .

Of course, it is a thousand times more dangerous to the United States to have west Siberia fall into the hands of Japan than to have it in the hands of the Bolsheviki. . .

East Siberia, or all of Siberia, by itself amounts to nothing as a menace to the United States. As a part of Russia it means little as a threat to America, but as part of Japan, with all Siberia's natural resources and all its territorial advantages, under the control of the most efficient and most formidable military nation of the Orient, the danger to the United States is so great and so immediate that even the average, thoughtless, heedless politician ought to be able to see it.

Our Government at Washington has just allowed Japan to become a dominating and controlling influence in China. It is now apparently about to allow Japan to become a dominating and controlling force in eastern Siberia.

Is it possible that our people are so ignorant of world politics that they do not see what it will mean to this country to have Japan in complete control of all of eastern Asia?

There is a population there which will all be united under one dominion and one military leadership of from four hundred millions to five hundred millions; a population, therefore, four or five times as great as the whole population of the United States.

There is an almost limitless area of terfitory, an immense coast line, with every kind of harbor fit for every kind of naval base.

There is immeasurable wealth of agricultural products sufficient to maintain the armies and navies of these five hundred millions of people without any assistance from abroad.

There are indescribable riches in coal and oil and steel and all minerals and materials necessary for the construction and operation of ordnance and munition plants greater than any that the world has ever seen.

There are rivers to bear these materials to the coast.

There are protected basins wherein innumerable ships can be built.

There is control through Vladivostock of the one trans-Asiatic railroad.

There is everything that is needed or could possibly be imagined to make the most formidable and most powerful military nation in the world, a nation four or five times as powerful as our own; and we are encouraging the formation of this nation and its complete domination by a military autocracy as efficient as Germany's and more despotic than Germany's, and we are placing all of this power in the hands of a yellow race, which is racially antagonistic to the white race; in the hands of the one nation which of all the nations in the world is most antagonistic to us and most determined to block all American development on the Pacific.

Every day that the present European war lasts the white races are becoming weaker and poorer, and less numerically; and less able to dispute with the yellow races the dominion of the world.

And every day that the European war lasts the yellow races are becoming stronger and richer and more united and better prepared and better equipped and better able to wrest the domination of the world from the white races when the inevitable conflict occurs.

Annex Siberia and Solve China Problem, Say Japanese Professors

Recalling the days of the Russo-Japanese conflict when a group of University men known as "the stalwart seven" enlivened the martial spirit of the Japanese by jingoistic insistence that the Empire's military forces advance at least to Harbin, the group, with similar ideas, now called "the determined nine," has arisen during the present situation to advocate, as one member expresses the sentiments of the body, "the annexation of half the territory of Siberia, thus solving the China problem as a matter of course." Of the seven stalwarts of 1904-05, as we learn from the *Japan Advertiser*, the names of two are missing, four new professors having joined the party.

The nine men in the group are: Professors Takebe, Takahashi, Niida, Matsunami of the Tokio Imperial University; Professors Nakamura and Shida of the Tokio High Commercial College; Dr. Soeda, ex-President of the Imperial Government Railway Bureau; Dr. Tomizu, a Member of the Parliament;

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and Dr. Terao, a Japanese authority on international law and Chinese affairs.

These men have met several times since the Siberian question became serious and, in consequence, they are expected to hold mass meetings in Tokio for discussing Japan's policy as regards the mobilization of the Japanese troops in Siberia.

"Fourteen years ago, when we started the movement, we suffered a great deal from severe police interferences to such an extent that Baron Yamakawa, President of the University in those days, was forced to resign," said Dr. Terao.

"I don't know what the police are going to do now, but we will be as faithful to our principles as we have been, in spite of all interference from outside.

"We urgently advocate the Japanese expedition to Siberia. We insist upon the necessity of sending our troops, numbering at least half a million, to the fronts.

"When the Russo-Japanese War broke out, Japan had only Yen 100,000,000 in specie, but we could raise loans of Yen 2,000,000,000. Now we have over Yen 1,000,000,000 in specie, with which we can easily borrow at least Yen 20,000,000,000."

Dr. Kanjin Tomizu, a prominent member of the Seiyukai, is reported to have expressed himself:

"So far we have met twice and exchanged views on the situation. Of course we hold different views as to details but are agreed to the principal question as to the necessity of Japan's intervention in Siberia. We are now studying the question as to how far it will be necessary for Japan to advance her troops and what we shall do in case of German hordes coming to invade Japan. No, we are not playing the part of alarmists. Our agitation is based on a carefully-considered conclusion. If Japan waits until the Germans have approached nearer the East, it will be found too late to strike an effective blow. In order to check a German invasion of the East it will be necessary for Japan to send her troops as far as Baikal with the object of annexing half of Siberia. If Japan annexes half the Siberian territory the solution of the China question will follow as a matter of course. Some oppose the assumption of hostilities on the ground that it will have the effect of prolonging the life of the present Cabinet but such argument is ridiculous in view of the problem which faces the country."

Professor Tongo Takebe, another member of the nine, gives his views to the *Asahi*. He laughed at those foolish fears which believe in the possibility of Japan's being attacked by aeroplanes or submarines. "In order to safeguard the peace of the Far East," he said, "Japan should carry out a mobilization of her troops as far as Lake Baikal or Irkutsk.

"As for the American plan of coming South across the Behring Strait, and her not joining the no separate peace agreement, that," said Dr. Tongo Takebe, "was a matter for the serious consideration of Japan, but for the present I will say nothing about it."

The Tokio *Asahi* points out that this kind of professorial agitation originated in Germany, where at a time of national crisis seven professors of the University of Gottingen rose to awaken the public to a sense of their danger.

America Should Go Slow in Approving Intervention by Japan in Siberia

From the Peking & Tientsin Times

President Wilson and a number of cautious Japanese statesmen, are looking carefully ahead before committing themselves to any definite line of action. Neither the Japanese nor the American Governments desire to impose an alien administration upon Asiatic Russia. At the same time, until it is known how the Russians generally will accept Japan's intervention, it is practically impossible to assign any definite limits to Japanese action, or to reach any decision as to the duration and extent of the Japanese military occupation. There are doubtless a few Chauvinists in Japan who favor annexation of a portion of Eastern Siberia: but no sane Japanese would entertain the idea of annexing the whole of Russian territory east of the Urals. It would be a task utterly beyond Japan's capacity, requiring the permanent maintenance of an army of occupation out of all proportion to Japan's population. If Japanese intervention, as there is every reason to hope, be welcomed by the majority of the Russians, the scope of Japan's military operations might conceivably be extended to the Urals, or even further westward, to link up with the forces now reported to be in process of organization by General Alexieff. In that case, the task of Japan would be greatly simplified. Japanese armies having, with the cooperation of the Russians themselves, restored order and repressed anarchy, Russia would receive breathing space in which to organize fresh forces against the common foe. The constitution of a stable government in Siberia, recognized by Japan and her Allies, would remove the principal obstacle to evacuation when the moment for it arrived, and the Japanese armies would probably be able to live upon the country during its occupation, and with but little fighting and at comparatively small expense to perform their mission of assisting Russia and averting the eastward march of Teutonic influence. If it were certain that Japanese intervention would be welcomed, prove of practical assistance to the Allied cause and lead to no future complications, the American Government would gladly assent to and, to the best of its ability, assist in such action. It may be presumed that the problem in all its bearings is receiving careful consideration in Washington to-day, and that if no definite decision has yet been reached by the American Government, it is not distrust of Japan, but uncertainty as to the consequences, immediate and future, that has influenced President Wilson and his advisers not to commit themselves forthwith to formal approval of intervention by Japan.

A Japanese Comment on America's Position vis-a-vis Siberia

From the Tokio Asahi

America has not joined in the proposal of England, France and Italy concerning the mobilization of Japan. This is rather hard to understand. Although America's interest in the war is not exactly the same as that of the other Allies, as long as she is committed herself in the defence of the world against the German domination, there is no reason why she should entertain a different idea about the impending German

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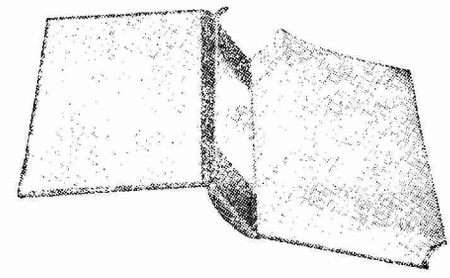

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MILLARD'S REVIEW

113 Avenue Edward VII, Shanghai.

menace to the East through Russia. Since the collapse of Russia is a great disadvantage to the common interest of the Allies there is absolutely no reason why America should hesitate in encouraging our action, which is aimed at the protection of Siberia against Germany and possibly for the relief of Russia from the German domination. America, in order to prevent any supply going into the enemy's hands through neutrals, repeatedly enacted drastic measures of interference with the freedom of trade. The only justification for her action was the broader interest of safeguarding the common interest of the Allies. Japan has been obliged to take the brunt of all the American restriction measures. She has not protested because she thought that the interest at stake was greater than her own private interest. It is not clear why America, who took all these extraordinary steps for the interest of the Allies, should now hesitate to join the other Allies in asking Japan to mobilize for the common interest against Germany.

Japanese Editors Discuss the American Attitude on Japanese Intervention in Siberia

The American attitude is still standing in the way of mobilization, says the *Hochi*. It is said that Japan has decided to put off mobilization pending the decision of America. It is further said that Japan will not act unless America is in favor of it, "We hope," says the editor, "that the rumor is not true. It ought not to be true for there is no cogent argument against mobilization. Some arguments against it have been presented but they are all futile. In the first place, it has been said that our mobilization will force Russia more desperately over to the German side. But Russia under the reign of the Bolsheviki is already under the German control. Our mobilization can't possibly make this situation worse. If it affects Russia at all it will more likely affect her in favor of the Allies. The moderate elements will very likely welcome our army as a deliverer. Even if they don't, that won't make the situation worse than it is now. Secondly, it is said that the situation in Siberia is not so pressing as to require our immediate mobilization. But a recent report states that there has already been formed a regiment of the liberated German war prisoners and that Berlin has sent officers to command it. This is one of the indications that the situation is really dangerous. Thirdly, it is explained that President Wilson, out of his democratic sympathy for Russia and hope for the probable reassertion of her better self, is constrained from encouraging any precipitate action. He is said to be cautiously watching the critical situation now developing in Russia. A few weeks ago, this course was a sensible course, but at present when there is no more doubt as to the submission of the Bolsheviki to the German influence we can't risk our interest on such a vague expectation." The editor goes on pointing out a few more objections and refuting them all in the same spirit. Finally, he says that it is to be regretted that America does not trust wholly that Japan has no ulterior motive in mobilization. "This suspicion of America is partly due to the shyness of this Government about expressing itself frankly."

The *Nichi-Nichi*, also commenting on the American attitude, says that America's objection to Japanese mobilization is against the spirit of the Ishii-Lansing agreement, in which America so chivalrously recognized the special interest of Japan in the contiguous territories. "Under the present pressing circumstances Siberia has to be regarded as a territory contiguous to our possessions. This is so at least from the consideration of our national defence. America ought to see that Japan has a perfect right to act independently for her self-protection, to say nothing of the interest of the Allies." The editor deplores the fact that there is some suspicion on the part of America as to the motive of Japan. "Some part of the American public seems to think that Japan is anxious to mobilize for self-aggrandizement." In view of the fact that Japan has so far faithfully played her role in the protection of the peace of the East, we can't see, says the editor, why America is so suspicious of our motive. "The friendly feeling between the two countries has only recently been demonstrated by the Ishii-Lansing agreement. We can't help wondering if the American attitude toward Japanese mobilization may not have an unfortunate effect on the relations between the two countries that have so happily been safeguarded by the recent agreement."

The *Niroku*, criticizing Viscount Motono for his irresolute attitude in the question of mobilization, says: "The Foreign Office of this country seems to have moved its allegiance to America. Secretary Lansing is running it, and mobilization has been dropped off because Secretary Lansing is not in favor of it. The Foreign Office may submit to such a strange condition but the nation won't regard Secretary Lansing as the Foreign Minister of this country." And so on.

The relation between Japan and America was once threatened by the agitation of the pro-German elements in America. The tense situation that had been created between the two countries in the past was barely cleared away by the Ishii-Lansing agreement. But the relation seems to be again threatened by those vicious elements who are preventing America from agreeing to the justice of Japanese mobilization, says the *Yorodzu*. In the opinion of the editor the best solution of this situation is to be found by the independent decision of this Government. "The trouble comes in consulting with a party who has nothing to do with the question. If Japan can't mobilize without the assistance of America consultation is necessary and the issue must be decided by the result of the consultation. But under the present circumstances Japan is perfectly well equipped to undertake the task without the assistance of America."

America Must Protect Behring Sea Territory

The Tokio *Hochi* sees reason to believe that there is a certain section of the American people who entertain ambitions with regard to Siberia. He quotes, in support of this notion, some remarks from the New York *Evening Sun*, in which, having expressed its approval of a Japanese mobilization, it goes on to say that the land adjoining Alaska must not be allowed to fall into the hands of any other power and that America must prepare for any eventualities which may arise affecting the Behring Sea or the coast of Kamchatka, and should at once occupy those regions. The *Hochi* replies that Japan should make her position clear to the world. She should see to it that Justice triumphs, and see also that she be not herself menaced with pressure from outside.

Week's News Summary

THE WAR

March 12. British airmen bomb German munition factories at Coblenz, conflagrations resulted.

March 14. The Allies perfect arrangements to take over for the duration of the war all Dutch shipping lying in Allied ports, totalling approximately a million tons and more than half of it lying in America; it is understood that America will in return export 100,000 tons of wheat to Holland; the German press demands drastic reprisals and threatens to cease the supply to Holland of coal and other necessaries.

March 15. Although it is understood that the Germans have 190 divisions on the German and Belgian fronts they still confine their activities in the West to isolated raids, despite a week of fine weather.

March 16. The Russian Congress of Soviets votes to ratify the treaty of peace signed with the Germans at Brest Litovsk.

March 17. A German telegram states that 15 Russian men-of-war were found by them in the harbor when they occupied the city of Odessa.

March 18. The center of activity on the Western front shifts to the River Meuse, where the French conduct raids in order to forestall attacks planned by the Germans.

March 19. French troops penetrate the German line in the region of Rheims to the depth of a kilometre, destroying numerous occupied dugouts.

March 20. The Germans are expected to occupy Petrograd in 2 or 3 days; the Germans advance along the Petrograd-Moscow Railway in the vicinity of Dno.——The British Admiralty's report shows 11 vessels over and 6 under 1600 tons sunk during the week.

CHINA

March 19. The Northern troops recapture Yochow, in the province of Hunan.

March 20. General Li Shun telegraphs to the President advising the Government to refrain from attacking Changsha and immediately to institute peace negotiations in accordance with the President's declaration that hostilities should cease after the occupation of Yochow.

JAPAN

March 15. The frequent disorders in eastern Siberia, including the murder of Japanese at Blagovestchensk, are causing a steadily growing sentiment in Japan in favor of despatching a Japanese army to Siberia; many of the Japanese newspapers are commenting on the apparent unwillingness of America to sanction Japanese intervention.

March 19. Viscount Uchida, the Japanese Ambassador to Russia, arrives at Harbin, where he states in an interview that he noticed unguarded German prisoners at nearly all stations along the trans-Siberian Railway.

March 20. Answering an interpellation in the House of Peers concerning the situation in Siberia, the Premier, Count Terauchi, replies that nothing has been decided concerning armed intervention by Japan; the German prisoners in Siberia were not likely to create serious trouble.

GENERAL

March 16. Announcement is made in London that Sir Eric Geddes is establishing a new department of the Cabinet which is to concern itself entirely with shipbuilding.

March 18. The first big concrete ship of 8000 tons is successfully launched on the Pacific coast six weeks after the concrete was first poured into the forms; arrangements are being made to build 54 more similar vessels.——The Marconi company is awarded damages in London on a claim for breach of contract by the Crown, which the Attorney General admitted.——The *Vorwaerts* states that a secret sitting of the Reichstag discussed at length the memorandum of the former German Ambassador to London, Count Lichnowsky, in which he stated that Great Britain's foreign policy had been directed to preventing war.

March 19. A bill is being introduced in the U. S. Congress authorizing the Government to melt down and sell about half of the 460 million coined silver dollars now lying in the Treasury vaults; this will have a probable equivalent effect to the Government fixing the price of silver at a gold dollar per ounce.

America

New York's famous fashionable hostelry, the Waldorf-Astoria, has been purchased by General T. Coleman du Pont for G.$3,000,000.

The plan for the mutualization of the Equitable Life Assurance Society, involving the purchase from T. Coleman du Pont of 554 shares of the capital stock for $2,779,900, was approved February 6 by the New York State Superintendent of Insurance.

National registration of women available for work on farms is planned by the Department of Labor as one of the advance steps in a campaign to secure a sufficiency of farm labor for every section of the country during the coming season.

A New York retired banker, Robert B. Van Cortlandt, who is described as having been "constantly engaged in a desperate effort against loneliness," and who had but recently returned to his home after a visit to Japan, committed suicide in New York city February 18. He was 55 years old, a bachelor, and possessed a fortune of from five to seven million dollars.

Instructions have been sent to the 20,000 Government speakers known as the Four-Minute Men urging them, as authorized spokesmen for the Government, not to indulge in "hymns of hate." These instructions have been given in the weekly news bulletin sent to the speakers by the Committee on Public Information, which is in charge of their campaign.

The U. S. Department of the Interior has recently issued permits for the exploration of potash deposits on public lands situated in several of the western states. This action was taken by the Department following upon agitation in the press on the subject. Numerous writers had pointed out that it was little short of criminal folly, in view of the present shortage of potash, to continue the previous policy of preventing the public from acquiring lands known or supposed to contain potash deposits.

The new evening daily paper

The Shanghai Gazette

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Men and Events

Sixteen resignations of American employees connected with the Philippine Civil Service were recorded at the Bureau of Civil Service during the month of February.

J. K. Steele, advertising manager for the Toyo Kisen Kaisha and editor of *Japan* (magazine) published in San Francisco by the T. K. K, arrived in Yokohama several days ago. Mr. Steele is making a tour of inspection through Japan and China.

There will be a special address by the Rev. C. E. Darwent of the Shanghai Union Church, at the anniversary meeting of the American Song Service, Sunday afternoon, March 24, in the Palace Hotel at 4:30 o'clock. S. S. Blanchard will sing.

In the *San Francisco Chronicle*, February 24, in the department devoted to music and theatrical events, a song recently composed by Raymond Egan and Gus Kahn, "China Dreams," with music by Egbert Van Astyine, is published in full, together with the complete score.

Liang Shih-yih, who was one of the principal supporters of the late Yuan Shi-kai's monarchy restoration scheme and who was amnestied several months ago by President Feng Kuo-chang, arrived in Shanghai from Hongkong during the early part of the week, *en route* to Tientsin and Peking.

Owing to the outbreak of plague at Nanking the booking of passengers on the Shanghai-Nanking Railway to and from Nanking and Chinkiang and intermediate places has been temporarily suspended. The Yangtze river steamers have ceased calling at Nanking, and in fact are making no stops between Shanghai and Wuhu.

Paul S. Reinsch, American Minister to China, who has been enjoying a well-earned furlough of several weeks in the Philippine Islands, will arrive in Shanghai March 27 *en route* to Peking. Mr. Reinsch is taking advantage of the return journey to visit the various American consulates in South China—Canton, Hongkong, Foochow, Swatow and Amoy.

The *New York Times*, in its issue of February 9, prints a very sensible editorial making a plea that the U. S. Government should extend the time for income tax returns, among other things stating that it is out of the question to expect that income tax returns could be prepared in time for filing with the Collectors of Internal Revenue on or before March 1.

George Mooser, who is well known in China and the Far East, having resided here for several years, is now doing "war work" with the United States Committee on Public Information. Soon after America entered the war, Mr. Mooser resigned his position as general manager for Oliver Morosco's theatrical productions, and offered his services to the Government. He has now been sent to Mexico in connection with the motion picture branch of foreign publicity.

The editor of the *Mingkuopao*, a Shanghai daily vernacular newspaper, published in Chinese and registered at the Japanese Consulate, was fined $50 at the Mixed Court March 20, the case being heard before British Assessor Grant Jones, Japanese Assessor Hayashide and Magistrate Kwan. He was charged with contempt of court in publishing an article commenting on the trial of Sung Jang-foo, charged with the assassination of Admiral Tseng Ju-cheng, while the case was in progress in the Mixed Court.

An American Returned Student's Club of Shanghai, composed of Chinese, was organized by seventy-five former Chinese students of American Universities, who met at the Oriental Hotel for dinner on Wednesday, March 20, for the purpose of organizing such a Club for the returned students. S. K. Lok, chief justice of the Shanghai District Court, presided over the meeting. The following officers were elected for the ensuing year: president, H. Y. Moh; vice-president, S. K. Lok; secretary-treasurer, Dr. John Y. Lee.

In an article on Trotzky in the *N. Y. Outlook*, Henry Moskowitz writes: "Trotzky depicted the world war as the clash of capitalistic States in their race for world empire. He referred to Morgan of the United States, Bleichroeder of Germany, and the Rothschilds of France and England as capitalists who were accidentally Americans, Germans, French or English. If shaken in a hat and thrown into other countries they would take the other side with the same degree of patriotism. He contrasted the conflict of interests of the capitalistic States with the common interests of the workers of the world, and pointed out that there was only one war in which the workers of all lands were concerned—the class struggle; and only one enemy—capitalism."

All the one-cent daily newspapers in New York City, both morning and evening editions, on January 26 raised their prices to two cents, and simultaneously that staid old journal, the *New York Evening Post*, which has maintained its price of three cents for many decades, reduced its price to two cents. The publishers when increasing their prices took great pains to explain to their reading public the absolute necessity for the increase but, even so, the price of American daily newspapers is cheap compared with those in the Far East. Shanghai daily newspapers in the English language cost Mex. ten cents each, which is equivalent to seven gold cents; the leading paper in Japan costs fifteen sen, which at present exchange is about the same as the cost of the Shanghai paper; and the principal English newspaper in Tientsin (North China) costs Mex. twenty cents a copy.

The *Central China Post* (Hankow) prints the following particulars concerning Yochow (Hunan), which it describes as not being a happy spot to live in either for natives or for foreigners: "The capture of Yochow bucked up the Southerners immensely and had they, in the flush of their success, pushed to Wuchang and Hankow they could have captured these places with ease. This was the next item in their program and they were all talking about *Fa Yang Tsai* (secure foreign wealth), but apparently thought there was no hurry. With the delay they have become tame and spiritless, so that the chance of their making a push now is not likely. Their leaders also seem to be more or less at loggerheads, and they will probably remain where they are till they are turned out. The country people are suffering sadly. The Southerners have no camp equipment, so they take possession of the people's houses and help themselves to anything they want."

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The prospectus, for which this announcement invites you to ask, describes the system on which distinguished experts in every department of science, history, industry, law, medicine, engineering collaborated to produce this complete account of present day knowledge in 40,000 articles, ranging in length from 200 or 300 words, about a less noteworthy town or person, to 100,000 words concerning the history of an important country. Here, therefore, it will suffice to say that the contributors of articles number 1,500; that an editorial staff of over 50 members, working together under the same roof for eight years, ensured for the preparation of the present edition a degree of system and completeness never attained in any previous edition, or in any other encyclopædia; and that £250,000 sterling ($1,000,000 U.S. currency) was expended upon the preparation of the work before a single volume was printed.

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New U. S. Import Regulation Causes Difficulties in China

A general meeting of the American Chamber of Commerce and the heads of all American firms in Shanghai will be held in the next few days to consider and take action on a recent regulation of the American Government regarding imports of foreign merchandise into the United States. In the last week American firms in Shanghai have been informed by their home connections that import licenses will not be granted until there has been an actual purchase of merchandise in foreign countries. The new regulation will cause difficulties in China owing to the fluctuating exchange. In China, when native merchandise is purchased for export, the foreign firm making the purchase must agree with the Chinese dealers on the rate of exchange through the bank handling the transaction. If the present regulations are enforced in China, it might mean that after a firm had purchased goods and settled upon the exchange that the goods might be refused admission to the United States. This would leave the importer to take up his exchange with the bank, and in the opinion of many firms if the ruling is strictly enforced here it will stop all exports from China to America.

The new regulation will not affect importers in countries on a gold basis, for they are not subject to the difficulties of daily fluctuations in exchange that importers and exporters in China have to contend with. Although the purpose of the regulation is not known in Shanghai, it is supposed to give the American Government closer control of all imports and their distribution after they reach America.

Dr. Morrison in Australia Explains the Situation in China

Dr. George Morrison, political adviser to the President of China, now on leave in Australia, his native home, was entertained recently by the Millions Club in Sydney, N. S. W. A correspondent of the *Boston Monitor* took advantage of the occasion to interview him.

Describing the effects of China's declaration of war on Germany, Dr. Morrison said: "Germany, to begin with, has lost prestige, and this counts greatly in Asiatic countries. Then Germany has been expelled from areas covering several square miles at Tientsin and Hankow, known as the German concessions. These areas have been resumed by the Chinese. The German share of the Boxer indemnity, which amounts to £12,600,000, has been confiscated, while the payment has been suspended of interest on government loans for railways and other purposes, representing a sum of £4,000 a day. Thirteen German vessels, three very fine ones, have been confiscated.

"But the most important of all the losses sustained by Germany is the abrogation of all her treaties with China. After the war, when new treaties are concluded, they will be on a reciprocal basis, instead of the one-sided nature of the former treaties. All Germans in the employ of the Chinese Government have been dismissed. This affects 118 Germans formerly in the Customs Department and many others in the railway and postal services."

Dr. Morrison says that no serious man now contemplates the restoration of the monarchy. China is well adapted for parliamentary government, he points out. "The people have in all times been accustomed to being ruled over a large section of their affairs by guilds or councils. They are fond of discussion, and very fond of settlement by compromise and arbitration. Even in the present conflict between the Northern and the Southern parties it has been seriously proposed to invite the President of the United States to arbitrate."

Addressing the Millions Club, Dr. Morrison said: "I am astonished at the little interest which is taken in China by the Australian business man. On the boat coming down I met a number of business men all of whom had been to Japan but not to China, and the products in which they were dealing were largely those which had come to Japan from China. I think the time has come when this country should take a greater interest in the question of trade between China and Australia. No Chinese ever questions the word of an Englishman. You can travel the length and breadth of the country and if it is known you are an Englishman you will be treated with honor. That has been my experience. I have been treated with courtesy,. consideration, and generosity, the recollection of which I never can forget. Why do you not come closer together? There are hardly any trade relations between China and Australia. It seems to me that the time has come when the Commonwealth Government should take more interest in this matter. The mere maintenance in China of a High Commissioner for Australia, who would be given proper diplomatic rank, would pay for itself hundreds of times. Even if the Government does not care to incur the expense of a staff there, a committee of trained business men could report to their fellow-countrymen on the prospects of business. The one wish of those in power in China is to develop trade relations between the British Empire and China, especially now China has come into the war. She was prepared to enter the war as far back as August, 1914. She is prepared, I am confident, to send men to the front."

Women's Work

American Woman's Club

The "Women of India," was the program for the American Woman's Club of Shanghai, which held a meeting at the Carlton Cafe, Tuesday, March 19, at 4:30 p.m. Mrs. R. P. Roberts, chairman of the Library Committee, was in charge of the program and read a brief paper on the home-life of the Indian women. Mrs. Roberts emphasized the fact that though these Hindu and Mohammedan women have been virtually imprisoned in their homes for the past 2,000 years, denied all educational opportunity and made merely the chattels of their lords and masters, they still, by reason of a beautiful piety and devotion, have come to wield an influence supreme in their households. Mrs. J. Ely gave an interesting address on "The Present Day Emancipation of the Women of India." She told of the widespread movement in all classes and of the realization that progress in the betterment of the social position of India's women means progress for India. The old beliefs of the ancient doctrines respecting the female of the species and the forces of the new time have created a situation in which they cannot long live.

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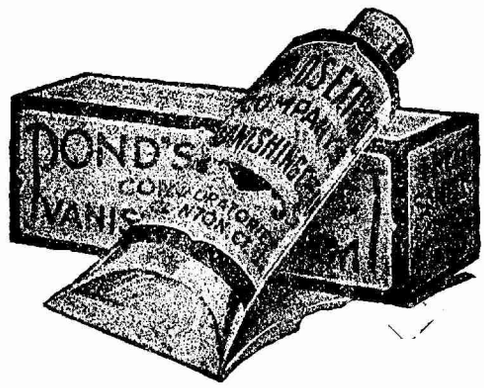

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The four great issues which must be met, she said, are the raising of the marriage age for girls, their education, the granting of freedom to remarry to widows, and the problem of polygamy. Mrs. Ely also spoke of the progressive influence and spirit of the Parsee women of Bombay and said that a woman's magazine now marks a new milestone of advancement. Mrs. Frank Rawlinson gave a talk on Indian songs and lyrics preceding the musical program and referred particularly to the songs on the program.

Following is the program:

1. (a) Ashoo at her lattice.
   (b) The Bride's Song.
   Mrs. J. H. Black.
2. The Home Life of the Women of India.
   Mrs. R. P. Roberts.
3. Indian Songs and Lyrics.
   Mrs. Frank Rawlinson.
4. Two Songs of India.
   Mrs. Bradley.
5. Present Day Emancipation of the Women of India.
   Mrs. J. Ely.
6. (a) Less than the dust.
   (b) Pale hands I loved beside the Shalimax.
   Mrs. Drake.

It was announced that a special meeting for the election of officers for the ensuing year will be held at 4 p.m. on April 9 in the club library rooms, top floor of the Carlton.

The following have been appointed nominating committees for the various Departments of the Club:

Music Department—Mrs. D. W. Lyon, chairman; Mrs. Hallam, Mrs. F. J. White, Miss Russell and Miss Oldroyd.

Literary Department—Mrs. Davies, chairman; Mrs. Main, Mrs. McCoy and Miss Fobes.

Social Department—Mrs. Macbeth, chairman; Mrs. Lunt and Mrs. Ely.

The next regular meeting of the Club will be held on April 2 and it is hoped at that meeting to have as speaker Mrs. Sherwood Eddy, wife of Dr. Eddy, who spoke recently in Shanghai on his experiences in Y.M.C.A. work at the front. It is planned to have Mrs. Eddy tell of the work in the Y.M.C.A. hutments back of the trenches, in which work she also was engaged. Miss Tuttle will give some readings.

Proceeds of Minstrel Show for War Charities

Mr. G. J. Petrocelli, the secretary and treasurer of the Executive Committee, informs us that the distribution of the proceeds of the Minstrel Show is as follows:

American Relief Society	Mex.	$2,000.00
Door of Hope at Kiangwan	,,	200.00
Sick Room for the American School	,,	500.00
St. Luke's Hospital	,,	500.00
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Navy Y. M. C. A.	,,	1,000.00
Children's Refuge	,,	200.00
Institution for Chinese Blind	,,	200.00
American Red Cross	,,	1,500.00
British Red Cross	,,	1,000.00
French Red Cross	,,	500.00
Italian Red Cross	,,	500.00
Belgian Red Cross	,,	500.00
Portuguese Red Cross	,,	250.00
Senior Consul (Special Allied Fund)	,,	250.00
Red Star Society of America	,,	200.00

American Woman's Club Notes

The Music Department of the American Woman's Club met on Friday, March 22, at the home of Mrs. Rawlinson, 178 North Szechuen Road, for a business session and a miscellaneous program. The Messrs. Heen gave some Hawaiian selections and there were readings by pupils from two of the leading Chinese Girls' Schools, as well as other musical numbers.

The Philanthropic Department of the American Woman's Club met at the home of Mrs. S. I. Woodbridge, on Wednesday afternoon, March 20, where an interesting program was arranged by Mrs. Woodbridge for the Union Church Ladies' Society. Mrs. Reiner gave a talk on "Silk Filatures," telling of the conditions under which the work is done, and giving suggestions for alleviating the long hours of concentrated labor. Mrs. Kulp followed with a paper on "Cotton Mills and Social Service in the Yangtszepoo District." Miss Baily commented on the existing conditions of the employees of the Commercial Press and Mrs. Fitch gave details of life of the Door of Hope

American Woman's Exchange

It was opening day for the American Woman's Exchange on Thursday, March 21, in honor of their new home at F. 128 Bubbling Well Road, just opposite the Race Course and near the Horse Bazaar. Over 200 teas were served from 3 o'clock until 6:30 by the ladies in their Red Cross uniforms. Those having in charge on Thursday and Friday were: Mmes. Burns, Boynton, Mohler, Fondy, L. Everett, Moss, Tenney, Nichols, Fleming, and Dollar. Consul-General Sammons was present on the opening day and gave a brief speech, stating how important it was that the American Women of Shanghai did their bit towards making this a success for the Red Cross. "Every dollar spent at the Exchange," said the Consul-General, "Was a dollar spent for the comfort and aid of some boy somewhere at the front, and so helped to win the war for the Allies."

Hangchow Red Cross

The American War Relief Association of Hangchow held a special meeting on March 16 to make such adjustments as might be required to convert it into a branch of the American Red Cross Chapter. Julean Arnold, special representative for China of the American Red Cross Society, was present and made an interesting and suggestive statement of the work now being done by the American Red Cross Society and of the enthusiasm and businesslike ability with which Americans in China are entering into the work of the movement. Mrs. Sidney Lasell is chairman of the American War Relief Association of Hangchow.

A membership of 1,100 is the result of a successful membership campaign of the local Y. M. C. A. drive in Hangchow, which closed on March 16. The campaign was conducted by six teams bearing the names of the six bridges of West Lake. The highest number of points was secured by Zia Ts-hsi, treasurer of the Kwang Tsi Hospital.

Far Eastern Press Opinion

Useless to Talk of China Cooperating With Japan in Maintaining Order in Siberia

From the Peking & Tientsin Times (Tientsin)

How anyone can talk seriously of China co-operating with Japan in the restoration of order in Siberia, or despatching troops to Europe to participate in the great war, while she herself is thus distracted, passes one's comprehension. The Central Government at the moment is unable to arrive at a definite decision upon a score of important domestic questions, including the disposal of enemy subjects, the reconvocation of Parliament, and the Chihli Conversancy problem. The railways which should be under its control are at the mercy of any petty military official who cares to sweep aside regulations, and commandeer trains and rolling stock. And there is a very general impression that at any moment a really acute crisis may be brought about by some drastic action or *coup* on the part of one of the disgruntled Northern Generals. It is scarcely an exaggeration to say that China at the present moment, without a Government, without a Legislature, divided into at least four, and probably, if the whole truth were known, a score of rival camps, is a constant source of anxiety, rather than a help, to her friends. Could one imagine more favorable soil for the prosecution of enemy intrigues? Yet the very inadequate restrictions upon enemy aliens which were promulgated soon after her declaration of war against Germany and Austria-Hungary, have become to all intents and purposes a dead-letter. Germans who are known to be engaged in all kinds of dangerous intrigues, continue to travel backwards and forwards on the railways without any serious attempt at supervision by the Chinese Authorities. German press propaganda is still tolerated in the Capital itself. Ministers who have been implicated in German conspiracies still remain in office, and, presumably, maintain their connections with their country's foes. The few honest and patriotic men who remain in the Government find themselves thwarted and obstructed at every turn by the incompetence and corruption of their colleagues. It would baffle the most optimistic and sympathetic observer to point to any hopeful feature in the situation to-day.

Anti-Japanese Feeling in Manchuria

From the Japan Chronicle (Kobe)

To anybody who reviews the history of the past ten years it would be rather surprising if there were no feeling of hostility towards Japan, for Manchuria has witnessed a Japanese penetration no less formidable than that which ended in the annexation of Korea. Group II. of the Twenty-one Demands put the Japanese on a very special footing in Manchuria, and had Group V. come into effect, there would have been no effective authority in South Manchuria except the Japanese. Added to this, it is notorious that the behaviour of the Japanese towards the Manchurians is seldom conciliatory, and whenever a dispute arises, it is only the Japanese version of the facts which receives consideration. It is a part of Japan's great mistake that she has penetrated the territories of her continental neighbors arrogantly when, with more sympathy and sincerity, she might have been welcomed there as a protector and have gained far more than she has. But one might describe till further orders the relations which ought to exist. Things have gone so far wrong in Manchuria that there seems but little hope of putting Sino-Japanese relations in that country on a better basis. Fortunately, the present Government does not seem inclined to encourage the arrogance of ambitious Japanese in Manchuria, and if it is wise it will refuse to give ear to the cry that the Manchurian authorities are anti-Japanese. The broad fact is ever present that the Chinese authority recovers no ground while the Japanese always presses on. Any difficulty that the Japanese power meets in its path is "anti-Japanese" in a certain sense, but the more peacefully Japan carries out the scheme of expanding railway jurisdiction into territorial administration the less danger will she incur of creating a permanent hostility more dangerous than the enemy beyond, whose menace was Japan's first excuse for penetration into Manchuria.

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Suggestions for Sino-Japanese Cooperation

By Liang Chiu-shui, in the Peking Leader

If there is anything which hurts the feelings of the Chinese people, more than anything else, it is the establishment of Japanese civil offices in Shantung. We understand that this policy was first advocated by the military class, and has not since been endorsed by the responsible diplomats of Japan. China has been rightly blamed for entrusting her administration to dictators, but is it not strange that Japan should also suffer her foreign policy to be prescribed by her Army? It is difficult to understand what reasons Japan can offer to justify the establishment of her civil administration in Shantung. Shantung has neither been ceded nor leased to Japan. The whole province is Chinese territory pure and simple. Since Tsingtao is in Japanese occupation, Japan may enjoy territorial rights over it as Germany has done, but she has no right whatsoever to extend her influence outside of Tsingtao and far into the interior. But what are the actual facts? At the gate of the Japanese Consulate in Tsinanfu, a tablet bearing the title of Japanese Civil Office is posted and offices of the same character have been established in Fangtse

MILLARD'S REVIEW will publish in May as a part of Volume IV, a complete index of all special articles and editorial comments that have appeared in the magazine since the first issue on June 9, 1917. Owing to the shortage of paper, this index will be supplied only to those who desire it for filing and reference purposes. Persons, desiring a copy of the index should notify the office in writing at the earliest possible date, otherwise it will be impossible to supply it. The index is a part of the REVIEW and there will be no extra charge to subscribers who desire a copy.

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Litsun, Changtien and other cities. In these places lawsuits between Chinese citizens are being headed by Japanese officials and taxes have been imposed upon the inhabitants, so that Japan is virtually treating Shantung as her colony, ignoring China's sovereignty, as well as international law. Japan tells China that the civil administration is simply to supersede the German military government in Tsingtao and she believes that the former will prove more beneficial to China. But we fail to see how these civil administration offices, with powers to hear purely Chinese cases of litigation and levy taxes on the people, can benefit China except to relieve her of duty to govern her own territory. The case of Japan in Shantung reminds one of an amusing story. A certain Chu Kung, who used to feed his monkey with four biscuits in the morning and three in the afternoon, suddenly found that the animal was dissatisfied and grumbling. "Alright," said Chu Kung, "I will give you three biscuits in the morning and four in the afternoon." Thereupon the monkey felt pleased, and thought that under the new arrangement his ration was going to be increased. Is Japan not trying to play the same trick with China? Weak as she is, China is an independent and a vast nation. She cannot be devoured all at once. However hungry a man is, he must consult his capacity before taking his food. Japanese statesmen seem to be unaware that a man may dine too well but not wisely. The Far East is being threatened by the German menace, and China and Japan should cooperate heartily in order to maintain the peace of this part of the world. All pending international questions are liable to get more complicated with the lapse of time, so they should be settled without further delay. To expect hearty cooperation between China and Japan without satisfactorily solving these problems is to work against the forces of nature.

Mr. Little's Peace Proposals

From The Peking Daily News

Now, with all due respect to Mr. Little and his friends and allies in this peace-making campaign, we very much doubt the wisdom of their interference. The so-called settlement of 1911-1912 was very largely the result of outside interference, and it was no settlement at all, as the history of the past six years amply shows. On the other hand, there is ground for hope when the commercial men of the country, speaking through the Chinese Chambers of Commerce, express themselves against any continuance of hostilities. The issue lies largely in their hands. They only need refuse to be bullied into making war contributions for malcontents, and the whole issue will be settled forthwith. Nobody pretends that Sun Yat-sen, Tang Shao-yi, Li Lieh-Chun and others of their kidney, are fighting for any principle; they are fighting for what they can get; as soon as they cease getting they will cease fighting; and as soon as misguided merchants cease giving, these gentlemen will cease getting, and most of the present trouble will cease.

Gold Production and Movement in 1917

From the N. Y. Financial Chronicle

A DIMINUTION in the production of gold during 1917 from the mines of the world as a whole, a falling off shared in by practically every prominent producer, including the United States, has to be recorded. With the leading nations of the earth engaged in a war that is drawing upon home and colonial man power, the result is not surprising. It is true, of course, that to only a very limited extent is gold obtained from territory within the area where the conflict is actually raging, but from Australia, Africa, Canada, and now the United States, men have been called in large numbers to assist the Entente Powers, and this cannot but have had some effect upon the forces working in the mines.

The stoppage of gold mining operations in the war zone involves no appreciable reduction in production, as outside of Russia there is only a comparatively small amount of gold secured in Europe. And, moreover, the greater part of Russia's yield is from the mines of Siberia, in Asia. At the same time, it is reasonable to infer, in the absence of definite news, that the disturbed or chaotic conditions in Russia have had no little influence in curtailing mining operations in both European and Asiatic districts. It is equally evident that in Mexico the situation in 1917 was such that the yield of gold from the mines was much below normal. Africa, too, has contributed less to the world's new supply, the decrease being most noticeable in the Transvaal, where, as already stated, it has been impossible to arrest the diminution in the native labor force. All that can be said of Canada at this time is that a carefully compiled estimate of the year's production puts it at quite a little less than in 1916, all the leading fields sharing in the diminished yield.

The United States would seem to have decreased its production of gold during the year to quite an appreciable extent. The mines of the country, according to the joint preliminary estimate of the Bureau of the Mint and the Geological Survey, show a loss in product of 393,468 fine ounces, making the year's yield smaller than in all earlier years back to and including 1905. This result was due primarily to poorer returns from the workings in Colorado and Nevada, and it seems clear that the high cost of mining had much to do with the failure of some other localities to increase their output. The loss in Australasia follows an identical outcome in practically every year since 1905, and merely accentuates the explanation frequently offered as to the low quality of the ores obtained as the mines are pushed to deeper levels.

The feature of the year is, of course, the decline in output in the Transvaal district of Africa, but we find a sufficient explanation therefor in the decrease in the force of native labor utilized in the mines.

For the whole of Africa the output at 10,315,000 fine ounces shows a diminution of 398,101 fine ounces as contrasted with 1916, and a falling off of 283,411 fine ounces from 1915. Still, the year's African total runs only a little behind the yield from all other fields of the world combined for the same period and is in excess of the world's total product in as late a year as 1896. In that interval of 21 years Africa's yield has increased 8 million fine ounces, against a gain of but 3

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million fine ounces in the remainder of the world collectively.

The reduction in Canada's gold production in 1917, as indicated by the tentative estimate of John McLeish, Chief of the Division of Mineral Resources and Statistics of the Department of Mines of Canada, is rather important in amount, the reduction indicated from the 1916 outcome being somewhat in excess of 100,000 fine ounces, or 11.6%. There was a time back in the closing year of the 19th century, and for a short time thereafter, that, as a result of the development of the Yukon fields, it was expected our northern neighbor would quickly acquire considerable prominence as a gold producer, but the latest result is over 500,000 fine ounces less than that of 1900.

India, and in fact Asia as a unit, apparently produced less gold in 1917 than in 1916, but it seems safe to assume that there has been some augmentation in the amount secured from the mines of South and Central America, continuing the development of the industry in those countries the last few years. As regards Russia, no recent statistics are available, and it is, perhaps, unnecessary to say that with chaos reigning in that country for some little time past, it was hardly to be expected that mining operations would be prosecuted upon anywhere near a normal plane. No stretching of the imagination is required to perceive that the output has been much restricted. The latest official returns for Russia cover the year 1915, and they show a moderate decline from 1914. In the absence of any later news that can be relied upon, we estimate the yield of 1916 and 1917 as still less than the 1915 result.

The gold production of the world in 1917 was approximately 20,722,965 fine ounces, valued at $428,380,988, or a decline of 1,364,792 fine ounces, or $28,212,707, from the previous year and a loss of 2,029,264 fine ounces, or $41,948,539 from 1915. Note, too, that the yeild of the late year falls behind the figures of 1908 to 1914, inclusive. Notwithstanding the recent decline in the African output, this newest field of any great importance is the only one that has made any noteworthy progress in the mining of gold during the last decade. In other words, while between 1906 and 1917 the total production of the world advanced 1,352,307 fine ounces, the gain in Africa alone was 3,713,315 fine ounces, indicating that elsewhere collectively there was a decline of 2,361,008 fine ounces, the retrogression in Australasia being almost wholly responsible for it.

The tracing of the annual yield of gold in the world to its place of ultimate lodgment, which has been made a feature of this review for a long period of years, needless to say has been carried on with extreme difficulty since the breaking out of the war in Europe. Prior to that time, with conditions normal, our investigations met with very satisfactory results and were singularly accurate. But immediately after the beginning of hostilities privately hoarded gold began to come out, and the stock of the metal was further increased by the turning into bullion of vessels, jewelry, etc. In fact in 1915 and 1916 the stock of gold in the Bank of Germany, which practically has no sources of new supply from within the Empire, was considerably added to in just that way. In the late year, however, with that means of increasing its holdings practically exhausted, the Bank sustained a loss of some 26 million dollars. Furthermore, several other Continental European banks materially reduced their holdings of the metal. The Bank of France, for instance, lost 15 million dollars, reflecting the transfer of the metal out of the country, presumably to Great Britain, and from thence in large part, if not wholly, to the United States. Russia's holdings at home, too, dropped off to the extent of 87 million dollars (taking the figures as of date, October 29, since which time no returns have been available owing to the political upheaval), and Italy's stock was depleted in the amount of 13 millions. The Netherlands Bank, on the other hand, has continued to gain, its holdings of the metal at the close of the year exceeding those at the opening by no less than 46 millions. This was doubtless in greatest measure drawn from Great Britain. The stock of gold in the Bank of Spain was augmented by fully 147 million dollars during the year, the United States furnishing much the greater part of it, and the institutions in Sweden, Denmark, Norway and Switzerland collectively added 19 millions to their holdings. The Bank of England made a small gain—21 millions—despite the forwarding of large amounts of the metal, via Canada, to the United States.

The net gain in the European banks above disclosed is 89 million dollars, this following a decline of 190 million dollars in 1916, which succeeded gains of 329 millions in 1915 and 690 millions in 1914. In addition to this increase in the gold holdings of the financial institutions of Europe, it is to be stated that the visible stock in the United States, as compiled by the Treasury Department, rose $175,597,693 in 1917, the general stock of gold coin and bullion in the country at the close of the year having been reported as $3,040,439,343, against $2,864,841,650 on January 1. This addition is explained, of course, as in 1916, in large part by net imports, which reached 166 million dollars, a total very much less than the amount that came either directly or via Canada from Great Britain.

Summarizing the results for the European banks and the United States gives us a net augmentation in gold holdings of 266 million dollars. But we must go further to fully cover the subject, as various sums have found lodgment in localities not comprehended above, and should be included. Net exports from the United States to South America, West Indies, Japan, etc., for example, account for some 215 millions, and the industrial consumption of gold in the world must be allowed for as it is largely made up of new metal. That item for 1916, as estimated by the United States Bureau of the Mint, was $55,936,356, with several important countries (Great Britain, France, India, Germany and Russia for instance) omitted from the statement, the total as given covering the consumption of less then 5 million dollars outside of the United States. Accepting that estimate as applying to 1917, although it probably should be higher, we have accounted for the absorption of 536 million dollars, or an amount considerably in excess of the production of gold in the world in 1917, and indicating that the bringing into visible channels of further large sums of privately hoarded metal was a feature of the year.

Rolph, Mills & Co. Monthly Market Letter

San Francisco, Cal., February 1, 1918

Plates: The situation is identically the same as given in our last advices and very little tonnage is moving on any but government contracts. The price is nominally 4¢ base *f. o. b.* San Francisco but of course it is impossible to make any shipments.

Billets: Our last quotation of $80.00 per gross ton *f. o. b.* San Francisco is practically the present market but of course nothing can be done toward export business.

Steel Bars: Due to some very nice tonnages having been placed during the past 30 days and consequent filling up by the mills, the price has stiffened and for prompt shipment would be $4.00 to $4.10 *f. o. b.* San Francisco. For 4 to 5 months deliveries this price could probably be shaded 10¢, but with the raise in freight rates predicted we look for both prices as above to advance approximately 15¢ very shortly.

Structurals: Business is quiet and our advices from the East are that very few are being placed with the mills. One of the greatest drawbacks of course is the railroad congestion and furthermore, export licenses for structurals are being more sparingly granted. Our last price $3.85 for small shapes is nominally the market.

Galvanized and Black Sheets: There has been an unprecedented demand for sheets of all gauges and we find difficulty in placing business for any reasonable delivery. We have had several quotations on sheets, shipment at mill's convenience at any time within the next 4 months, but of course this is unsatisfactory. It is particularly hard to place sheets over 30" wide and in gauges lighter than 28. The market has had many large inquiries for 30 gauge sheets both black and galvanized 36 x 72, 84, and 96, but we think that very little was accepted. Export prices are now about $7.25 for black sheets and $8.25 for galvanized, both base *f. o. b.* San Francisco.

Brass & Copper Tubing: Prices have been reduced slightly since our last advices but deliveries are still forward, as the mills are of course at the disposition of the government and war orders with priority certificates come first in all cares.

Tin Plate: Some few licenses have been granted during the last 30 days allowing a few orders to go forward which have been held up for many months, but no new export business is being taken on and we doubt very much that licenses can be secured for any new business.

Wire Rope: Our mill is making fair deliveries on practically all grades of rope with exception of plow steel and crucible cast. The priority committee controls the allotment of plow steel wire and our mill reports great difficulty in securing any.

Steel Rails: Our mill can make shipment on 12 to 30 lb. rails in approximately two months after receipt of order. There is a large demand for light rails and the present price is $100.00 per ton San Francisco

Machinery and Equipment For Shipbuilders: There have been several new shipbuilding plants started on the Pacific Coast and our connections are making fairly good deliveries which run all the way from two to six months after receipt of order. As previously stated, however, machinery is on the embargo list and requires licenses which makes the shipment of export orders very problematical.

GLASS DEPARTMENT

Wire Glass, Plate Glass & Window Glass: Our factories have just informed us that the production of glass has been cut in half for the coming year by the government. All the factories have withdrawn their prices and they will quote separately on each individual inquiry. All prices and contracts which they will make will be based and made contingent upon their ability to secure raw material.

DRY GOODS DEPARTMENT

Cotton Piece Goods: We have just been notified by our factory of an advance of 10% to 20% on voiles, printed voiles, cretonnes, tickings, repps and drapery. With conditions as they are at present time it is highly probable that there will be another advance very shortly.

Shipping Department: Rates have steadied somewhat since we last wrote you and space is now available February-March at $20.00 with an advance of $5.00 for Hongkong and Shanghai and a further $5.00 for Singapore. The situation to Australia is practically the same and the Oceanic Steamship Company is still in doubt as to whether their vessels will be left on this run. We should not be surprised to see the rates to Australia advance to $45.00 at any time.

The Railroads have presented their schedule of advances in rail rates to the Interstate Commerce Commission and we understand that same has been accepted and that within the next 30 to 60 days both domestic and export rates will be very considerably advanced. In some cases this will run as high as 70% on the export rates. For instance, on shipments to Australia now taking a 60¢ rate, a rate of $1.00 will apply. Pittsburgh steel rates for Oriental ports will be increased from 45¢ to 60¢ and Chicago rates from 40¢ to 55¢. You will therefore, understand that if our quotations for futures seem somewhat out of line, that we are basing our calculations on the above rates as we are told that it is practically certain same will go into effect. No doubt exporters who have booked large tonnages ahead on the basis of old rates will suffer considerably.

Prices: All prices given in this letter are in United States Gold and unless otherwise stated are *f. o. b.* San Francisco.

The Value of Liberty Bonds

From the New York Annalist

The declaration that a Liberty bond was worth every penny of its face value was made frequently in the offering of the first issues, and, as a result, many persons, totally unfamiliar with bonds, have been puzzled to find that they could not sell their bonds for quite as much as they paid for them. They have not understood this and they have had the feeling that they were deceived.

For their sakes what is clear to all others should be made clear to them. In the offering of the forthcoming issue care should be taken to make it clear

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that the purchaser of a bond enters into a contract with the Government by the terms of which he lends his cash to the Government, accepting in return the Government's promise to repay this cash at a future date with interest for its employment in the meantime. Once this is understood, the truth of the assertion that his bond is worth to a penny the amount it calls for will become clear to the novice buyer. He has committed himself to lend out his money for a stipulated period, and, providing he abides by his contract, his bond will return him to the penny what it promises to pay.

But, if occasion arises so that he wants his money before the termination of this contract and he offers his bond for sale, he is actually breaking his contract with the Government; he is trying to withdraw from his bargain, and, for the privilege of doing so, he must be ready to pay a price. Now, it is not with the Government that he deals, but with a private purchaser, a man who has the money the bondholder needs and is ready to part with it, but only for a consideration.

Many things join to determine the amount of this consideration. The purchaser must figure the possible advantages of investing his money in other ways; he is influenced by the seller's need of cash—if many bondholders feel the need of cash at the same moment and simultaneously offer their bonds for sale, the purchaser can drive a bargain with them, finally placing his money where need for cash compels the bondholder to accept a little lower price than the others are willing to take.

It is thus that a current market price is made for the bonds, but the price at which they may sell on any day is no indication that they are not worth exactly the 100 cents on the dollar which they were worth when they were first purchased; in fact, in the hands of the new buyer, he who bought them a dollar or so below par, they are still worth all of their face value as they were originally and are not considered by him as worth only the $97 or $98 he paid for them.

The man to whom variations in bond quotations present an unpleasant mystery would be in no wise perplexed were he the owner of a house under lease to a tenant. At the expiration of the lease he would know he was to get his house back, just as valuable as it was before, and, meantime, he would have had his rental to repay him for the tenant's occupancy. Nor would he be perplexed if, during the lease, he unexpectedly were to have an opportunity to sell. He would realize that his selling price must take into consideration the delay which the lease would impose on the purchaser before he could begin occupancy of his newly acquired property, and, accordingly, must be reduced by an amount sufficient to reimburse the purchaser for this delay.

Let him consider his bond in the same way, and his perplexities will disappear. He has leased his money to the Government for a term of years, receiving interest in lieu of the rental which his house paid him. He must be prepared to reimburse a purchaser of his bond for the delay which the new owner must suffer before he can receive his money from the Government, but because of this his bond is worth no less, just as his house was worth no less. He has paid a fee for the privilege of changing his investment.

Notes on the Trade of China for 1917

From The Times' (London) Annual Commercial Review

In some directions the Great War has hampered trade and industry, but it has at least had the effect of spurring the Chinese to greater efforts. Owing to the difficulty of obtaining supplies from abroad attention is being turned to the production of home-made articles, and by the growth of all industries in China there is now springing up an active competition with imported commodities. Progress in this direction would, however, be much more effective if the Chinese could be relieved from the crushing burden of every description of taxation; taxation in China is still heavy and wasteful in the extreme, and its hampering influence on trade and industry is almost incalculable, for while the present uncertain and arbitrary taxation continues it is a matter of extreme difficulty for dealers to gauge the laying-down cost of goods. The want of a uniform system of taxation is one obstacle to trade, the lack of a uniform currency is another—and little advance in the solution of either problem has been made.

The tea trade has had a poor year, and there is no doubt that the stoppage of imports into the United Kingdom was a serious blow to the Chinese. China usually sent to England some £32,000,000 worth of tea annually: but the loss of the trade has not been felt so seriously as was at one time anticipated. It had been considered in some circles that the effect of the Chinese losses on the tea business would react on the Lancashire piece goods trade, but such has not been the case, and although the markets for piece goods have themselves felt the lack of ships, the Chinese do not appear to have

had less money to spend on piece goods than formerly, and sales and prices have been good throughout the year. In silk and cotton trade has been fair, though there have been the usual difficulties in getting these products promptly to market. As far as cotton is concerned there is room for great advance. In the Shanghai district alone it is estimated that the industry must be worth at least 20 million taels a year to the farmers, but the drawback everywhere has been adulteration. Steps have been taken to bring home the seriousness of this to the Chinese, and there is hope that once the position is fully recognized—and there are signs that the foolishness of adulteration is being recognized—the cotton trade will be a very valuable adjunct to the commerce of the Republic. The opium trade is relatively unimportant in view of the more or less determined attempts to suppress it. Nevertheless, as opium suppression is combined with a good deal of blackmail the cultivation of the poppy is still pretty large in some districts; it has been stated that if out of 100 men you shot 99, the one left would still suffice to keep opium going—a phrase which ably sums up the position. For the rest, it may be stated that there is a marked increase in the export trade of China, though in some cases the increase is more apparent than real owing to higher prices.

Japanese Electrical Enterprises In China

The Japanese Industrial Development Company has added an electrical department and with the permission of the Tokio government, its capital has been increased considerably for meeting the requirements of the company in China. Many delegates of the company have arrived in China and some of them are visiting interior points such as Paoting, Tungchow and other cities for the purpose of making investigations about electrical enterprises. The native gentry of Tungchow are going to form a company for the installation of electric light in that city while Paoting natives are also about to do the same. This shows that electrical business in China will be greatly improved as the natives in the interior cities begin to appreciate the value of electric lighting instead of candles or oil lamps as they are accustomed to. The Tokio government is giving financial subsidies to this Japanese company for the unification and improvement of Japanese electrical enterprises in this country so as to compete with Western merchants upon the termination of the war.

Hydroplanes to be Used in Facilitating American Trade With Siberia

Notices are appearing in Russian newspapers telling of the 1918 expedition of the Siberian Steamship, Manufacturing & Trading Company from the United States to the mouths of the Ob and Yenisei rivers. This will be the seventh annual expedition to Siberia undertaken by the concern in question by way of the Kara Sea. For the first time hydro-airplanes will be used this year to point out ice-free waters. Sailings were formerly from England, but last year the experiment was made of starting from an American port and travelling north of the submarine zone. The advertisements say that ships will leave American ports in July and will arrive in Siberia in September. Goods are trans-shipped at the mouths of the Ob and Yenisei rivers to the Company's river boats, which carry them

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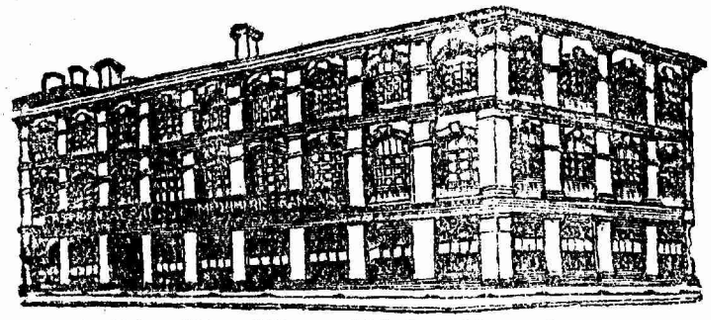

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to their ultimate destination in Siberia or to points on the trans-Siberian Railroad. Special tonnage permits are not required for shipments by this route, and the duty is remitted on certain articles imported at the Northern Siberian river ports. The Company owns and operates saw-mills on the Yenisei, and this year for the first time its vessels will carry forest products for export from its own mills.

It is interesting to note in this connection that the Standard Oil Company has allocated an appropriation to its branches in China to experiment with hydroplanes, with a view to introducing this mode of transportation in certain parts of the Far East.

Chinese Subsidiary Coin Notes At Harbin

The Chinese Guild, Fuchiatien (Chinese Quarter of Harbin), which has been issuing subsidiary coin notes of a provisional nature when Russian subsidiary coins were short, intend to issue some 130,000 roubles in new subsidiary coin notes.

Commercial and Financial Notes

The price of carbolic acid is advancing steadily in Japan, owing to the fact that its import from the United States is becoming more difficult.

The British Government insurance rates have been altered to 6% between the Far East and Great Britain via Suez, 3.5% via the Cape of Good Hope, and 7.5% between France and Japan.

Peking papers report that a rich silver mine has been recently discovered at a place in Inner Mongolia called Ha-la-sun-hu-cha. A Mongolian prince has petitioned the Ministry of Agriculture and Commerce for a license to work the mine in accordance with the Mining Regulations.

The Toyo Kisen Kaisha held a meeting of the Court of Directors March 5 in its Tokio office, when the preparation of the accounts to be submitted to the proprietary at its semi-annual meeting toward the close of this month was started. The net profit for the latter half of last year is said to have amounted to Yen 11,000,000 in round figures.

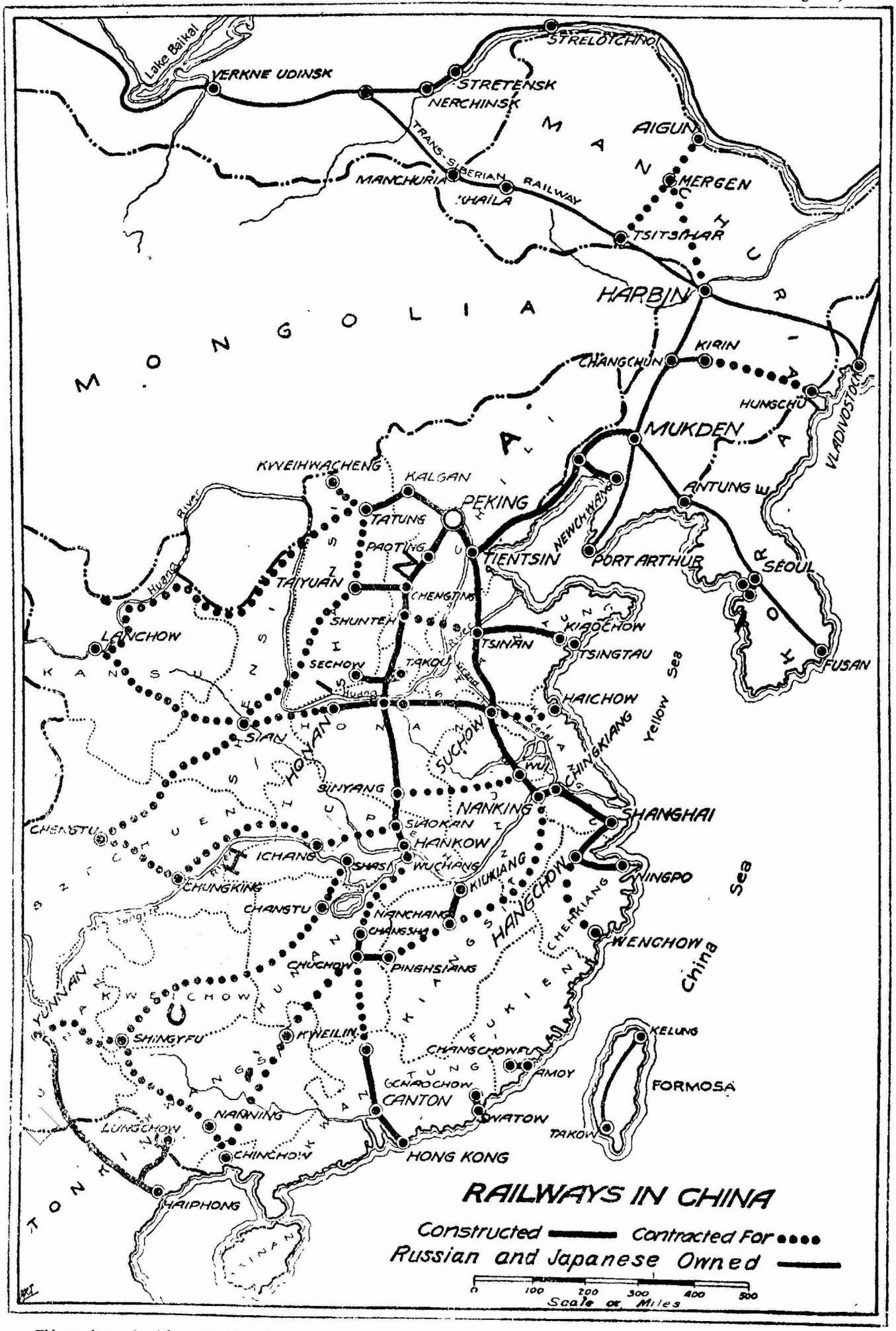
The great prosperity which Japanese business men enjoyed during the early days of the war continues to show a decline. The usual ten-day report issued at the beginning of this month by the Japanese Government shows that exports had fallen off heavily and that imports had increased apace. The principal decreases in the export trade are in raw silk, habutai, copper and tea; there were large imports of raw cotton, oil cakes and saltpetre.

The *Shanghai Customs Daily Returns* show that per s. s. *Peru*, which arrived from the United States in Shanghai February 22, there arrived 33 piculs of dried egg-yolk, these being indicated as "reimported." This lot of egg-yolk is probably one of those lots of egg-yolk which did not come up to the standard required by the U. S. Bureau of Agriculture, and is now brought back to China with the evident intention of disposing of it elsewhere.

In an opinion prepared by Judge A. N. Hand of the Federal District Court in New York, the Bosch Magneto Company is directed to pay to Samuel Rushmore, a maker and patentee of electric starters for automobile engines, $100,000 for failing to observe a contract involving the use of the latter's name in advertising. The contract provided for the payment by the defendant of $750,000 within a period of three years beginning May 20, 1914, in exchange for control of the Rushmore dynamo factory at Plainfield, N. J. Part of the agreement was that the defendant, during the three-year period, was to advertise the starter by its name of "Rushmore Starter." A penalty of $100,000 was provided for in the event of any default. In the suit it was alleged that the name was only mentioned fourteen times in 996 advertisements. The court decided that this default entitled the plaintiff to collect the penalty.

The exports from the Philippine Islands for the year 1917, as we learn from an article by Harold M. Pitt in the *Merchants' Association Review* (Manila), amounted to pesos 191,308,613, and imports to pesos 131,593,651. The exports for the year showed an increase over the previous year of almost sixty million pesos. Of this increase hemp, which is the principal money crop of the Islands, contributed more than forty million pesos. It is probable that for many years to come hemp will constitute, as it has done in the past, the chief money crop of the Islands, and it will doubtless continue to be exported largely in the raw state, even though there may be a marked development of the cordage industry in the Islands. Among the few items on the list of exports which show a material falling off for the year, is sugar. The quantity exported dropped from 337,490 tons in 1916, to 205,908 tons in 1917, while the value for the latter year was pesos 24,555,357 as against pesos 37,175,185 for 1916. While unfavorable crop conditions had something to do with a decreased output in 1917, unsatisfactory prices and transportation difficulties were very important contributing factors.

It is a rather peculiar turn of trade (says Mr. George E. Anderson, U.S. Consul General in Hongkong,) that, with American flour all but out of the Hongkong market and South Asian field generally, consumers in this part of the world should find themselves depending upon Japan, a country that, up to the beginnig of the war in Europe, was a very heavy importer of wheat and flour. As has been indicated in previous reports from this Consulate General, Japan, during the latter part of 1916, commenced to come into the flour market of Hongkong and its tributary territory in increasing strength. Japanese flour, made from Manchurian wheat, has controlled the flour market of Hongkong for several months, and still continues to constitute the major portion of flour arrivals in this port. According to Japanese newspapers, this state of things is to continue indefinitely, except that, instead of Manchurian wheat, the Japanese millers are to use Japanese-grown grain. Commercial returns indicate that Japan had shipped into the Hongkong field this year (1917) up to September 1 a total of 572,000 bags of flour. Considerable quantities of Japanese flour are passing through Hongkong on their way toGt. Britain, while Japanese flour also has invaded the Philippines. In addition to this Japan has shipped large quantities of flour direct to ports in South China that formerly drew most of their supplies of flour (mainly American) from Hongkong.



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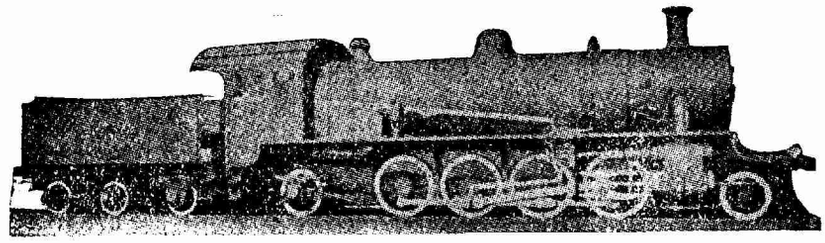

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China Has 6,467 Miles of Railway Lines and Needs 50,000 Miles More.

China, including Mongolia, Manchuria, Chinese Turkestan, and Tibet, has a territory of approximately four million square miles, or about a million more square miles than the United States, exclusive of Alaska and Island Possessions. Inside the boundaries of China live approximately four hundred million people, or about four times the population of America. America has about 300,000 miles of railroad, or about 26.41 miles for each ten thousand of population. China has 6,467 miles of railway, or about three thousand miles less than the United States had in 1850. The present means of transportation in China outside of the comparatively few miles of railways, is by canal, coastwise and river steamer, camel caravans, and the labor of human beings. The cost of transporting merchandise in China is about ten cents (Gold) per ton mile, while the cost of transporting merchandise in America under modern railroad conditions is about $.0069 cents per ton mile.

There are immense provinces in China as yet untouched by modern methods of transportation. These provinces are the most fertile in the world from the standpoint of agricultural production and they contain mineral products of untold wealth and quantity. In spite of this wealth, the population of these provinces is scarcely ever above the hunger line, because of the impossibility of transporting merchandise to the markets of the world. Coal at many of the native mines in China may be purchased for fifty cents a ton, while a few hundred miles away people freeze to death every winter because they can not afford to pay from $25 to $40 a ton for coal, the high cost all being caused by the difficulties of transportation. The average daily wage in the interior of China is about ten cents a day. This is caused by the fact that China's great wealth of labor, owing to the impossibility of transporting the products of this labor to other markets, fairly eats itself up.

China's greatest material need is modern means of transportation. Railway engineers have estimated that 50,000 miles of railways may be built and profitably operated in China in the next few years. The cost of constructing railroads in China is slightly lower than the cost of construction in other parts of the world owing to the unlimited

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(Concluded from previous page)

supply of human labor in China. It has been estimated that $125,000 (Chinese currency) a mile is a liberal figure for railroad construction in China, and this includes the purchase of land and the unusual amount of bridge building that China's numerous streams and canals necessitate.

China's 6,467 miles of railways are in most cases profitably and efficiently operated, when it is considered that China has known modern railroad operation not longer than a quarter of a century. The directors and managers of the Chinese Government railroads are foreign educated and in general understand their business. Chinese railway trains of course do not compare in comforts to the elegantly fitted trans-continental trains of America or Europe, but they do compare favorably with railway equipment in America and Europe of a few years ago. The roadbeds of the railways of China in general are of better construction than the average roadbeds of many American roads.

American capital and engineering enterprise with its railway systems now practically completed, and under government control and operation, will in the next few years turn to other fields to develop. China offers the best possible field for foreign enterprise in railway construction. The labor is here in unlimited quantities and the materials of iron, steel and coal, but await the coming of capital and transportation for development. This is as true of electrically-operated roads, as it is true of steam-operated roads.

America and Europe for dozens of years have spent millions in treasure in China in missionary, educational and philanthropic work. Of what value is this work of education, when there is no means of applying the educated product? China can not develop unless she is given means for development. The internal political troubles of China can largely be traced back to lack of understanding on the part of the various sections of the country with one another and with the outside world. This is due to lack of internal transportation and communication. There is room in China for the greatest measure of development on the part of every foreign nation. China welcomes foreign capital and enterprise in every field of endeavor, but her greatest present need is more railroads.

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The Share Market

RUBBERS Official only	Closing Quotations, Week End. 15	Last Quotation, Fri. March 22	Business Done in Share During Week		
			High	Low	Net Chg.
Kapalas Island	0.90	0.50	0.50	0.50	
Padang	12.25	12.25	12.25	12.25	
Tanah Musch	1.00	0.90	0.90	0.90	

Banks, Industrials, Ins. Cottons Land, Etc.

Langkat	14.75	14.50	14.75	14.50
Ewa Cotton (ord)	174	174	175	174
Yangtsze Poo (ord)	8.80	8.90	8.90	8.85
Laon Kung Mow	72	76	76	76
Kung Yik	15.75	15.85	15.85	15.75
Shanghai Cotton	137	139	139	137.50
Oriental Cotton	43.50	43.50	43.50	43.50
Telephone	78.00	78.50	78.50	78.00
New Eng & S. B. wks	16.00	14.70	14.75	14.50
Shanghai Dock	94.00	96.75	96.75	94.00
S. and H. Wharf	71.00	65.00	68.00	65.00
Shanghai Land	66.00	67.00	67.00	67.00

Exchange

Bar Silver		44½	44½	43
T. T. on London	4/3 1/8	4/5 1/2	4/5 1/2	4/4
Sov. Bnk. Buy. Rt.	4.66	4.53	4.62	4.53
Gold $ Bnk. Buy. Rt.	95.01	92.38	94.34	92.38
Mexican	72.37	72.6	72.6	72.4
Native Int.	02	02	02	02

London Rubber Quotations

Spot	2/6	2/6 1/2			
Forward	2/6 9/16	2/7 1/4			
Tendency	Firm	Firm			

Date	Langkat Oil Output	Tons.
Week ended	March 17th	380

Closing of Transfer Books & Dividends

Share	Period	Dividend
Langkats	March 19 to March 26	—
Water Works	,, 15 — April 28	old 38/–d@Ex 4/3 1/2
,, ,,		new 9/6 @Ex 4/3 1/2
,, ,,		new 5/– @Ex 3/10 1/2
Anglo Tunch Land	March 24 to April 4	Tls. 3.50
Anglo Tewa	,, 25 — ,, 2	Tls. 0.40
Gula	,, 25 — ,, 5	1/9 less 5/in £ i. 7.

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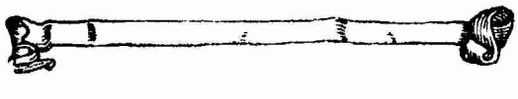
Shanghai Water Company Should Turn Over Excess Profits to the Municipality

EDITOR, MILLARD'S REVIEW :

With regard to the suggestion which appeared in the REVIEW several weeks ago re the Shanghai Water Company I have seen that the French Tramways are asking for compensation for losses. The Water Company does not refund excess profits, although everywhere nowadays people are paying heavy taxes on excess profit. I consider it would be an excellent idea if the Water Company were given extensions on franchises on condition that everything earned in excess of 8% on actual capital invested be turned over to the city. The city could borrow for 5% or 6%, so this is allowing more on the capital than they would get if invested in Water Company debentures. If I am not mistaken, the Water Company is paying big dividends on its stock; it is worth two or three times par, which means the public is being "stuck." This state of affairs affects everybody in Shanghai, since everybody uses water. Public utility corporations should not get more than a reasonable return on capital invested. Reference to back statements shows that the Water Company properties are written down very low in spite of large dividends paid.

FORMER SHANGHAIAN.

Tientsin, March 12, 1917.



New Books and Publications

Recent Literature on China

The Spell of China, by Archie Bell. The Page Company, Boston. Indexed. Eight plates in full color and forty-seven other illustrations. U. S. $2.50 net.

A GLANCE at the list of recent publications on China in the English language shows that they were written primarily as studies in politics, sociology and religion. Mr. Bell's book, however, forms an exception in that it is a book of travel, written by a tourist whose brief stay in China during the last days of Yuan Shih Kai's monarchical agitation ought to give added interest to both Chinese and American readers.

Characteristic of the American traveller who follows the suggestions of the steamship companies, Mr. Bell entered China by way of Hongkong and Canton. Then he proceeded north to Macao, Shanghai and Hangchow. Thence west up the Yangtze to Hankow, stopping at important cities such as Nanking and Kiukiang *en route*. Finally he took the Peking-Hankow Railway and landed at the Capital. The remaining part of the tour consisted of visits to Tsingtao (after the Japanese occupation), Mukden and Korea.

Perhaps few among us students have covered as much area in our travels at home as has Mr. Bell, or know much about the scenic harbor of Hongkong, the gambling vices of Macao, the surpassing beauties of the West Lake, the historical palaces at Peking, the Great Wall and the Ming Tombs, the enterprises of the Germans at Kiaochao, and Japanese politics in Korea. The author's account of these places, occasionally mingled with forays into the realms of history, commerce, religion, and what not, makes the reading extremely delightful.

"The Spell of China" will surely remind the Chinese reader of some similar experiences at home. The funeral processions on the streets, the bluffing bargaining at an old shop, the tyranny and the high-handedness of the coolies at the depots and wharves, the use of hot towels on the passenger-trains, and numerous other familiar scenes will prove not to be the least interesting things in reading the book.

While the reviewer heartily recommends the excellent descriptions of sceneries and odd personal experiences in the book, he cannot agree with the writer in some of the conclusions reached, which were possibly too much for the sake of creating romance and ornamentation. For instance, he has to question the statements: that "nobody who knows China doubts .....that Chinese of all classes are confirmed (opium) smokers"; that the revolving stage "may have existed in China at least a thousand years." (Mr. Bell went to a Chinese theater in Shanghai.)

Mr. Bell seems to have secured his first hand information about China from his guide, a so-called "boy" or man-servant, outside of reading books on China by foreign authors. Besides, he only visited the treaty ports and the places where foreigners are most expected. Now the question might arise as to whether it would not be better for the tourist, were he to give conclusions on the economic, social, and religious conditions in China,

to talk more with Chinese of classes other than that to which the "boys" belong, and to penetrate farther inland, where the contact of the Chinese with the outside world is less. Of course Mr. Bell was writing for the vacation travellers, and few could accomplish the job better than the author of Egyptian and Palestine travels.

Mr. Bell may not have expected his book to be read by Chinese. So he was perfectly frank in exposing the superior and patronizing attitude of the European in China, and was quite liberal in referring to Chinese as "Chinks."—PAUL C. T. KWEI, *in the Chinese Students' Monthly.*

England and India

England's Debt to India: An Historical Narrative of Britain's Fiscal Policy in India, by Lajpat Rai. New York: B. W. Huebsch. U. S. $2.

Lajpat Rai is well known in both England and the United States as one of the ablest and most ardent of the Indian Nationalists who are agitating and working for autonomy for India. In a previous work, published two or more years ago, "Young India," to which this, he says, is a sort of companion volume, he discussed British rule in India from the political standpoint. This new book studies his subject solely on the economic side. He first makes a rapid survey of the history of India, with particular attention to economic conditions and changes down to the establishing of British dominance. Afterward he considers the extent to which hoarded Indian gold and silver contributed to British prosperity, enabled Britain to establish her industrial supremacy, and helped build the British Empire. He thinks that India has been drained of wealth to make possible these achievements. In other chapters he studies the various phases of industry in India and their relation to Britain and investigates the economic conditions of the people, education and literacy, famines and their causes, taxes and expenditures.

In considerable part, the author bases his argument upon what certain Englishmen have said and written upon this subject, and quotes largely from them. His purpose, of course, is to prove that Britain has exploited India for her own benefit and has failed utterly to give an adequate return in service and advantage. Toward the end of the book, however, he does grudgingly admit that "British rule in India has its brighter side. Young India has drunk deep from the springs of liberty and the rights of man, as embodied in English history and literature; it has imbibed the spirit of modern civilization epitomized in the activity and energy of the West; it is learning that fundamental law of nations, 'Self-preservation is the law of life.'" And he continues: "From her own standpoint England has not proved an unmixed blessing to India, and from ours she has not proved an unmixed curse. She has taught us the blessings of the wealth she has deprived us of; she has awakened the need for the education she has not given; she has proven the value of the power she dares not bestow."

But, even granting all of the author's statements and argument, passing over his unwillingness to recognize and give just appraisal to all that England has done for India, and winking at the adroit, if somewhat dishonest, way in which he endeavors to direct the reader's attention to the wealthy classes of India before the beginning of British rule and to the very poor classes of the present time, the fact remains that understanding of the great issues just now at stake and of loyalty to that civilization in which the future welfare of India as well as of the rest of the world is bound ought to have led Lajpat Rai to wait for the presentation of his plea until the greater issues, comprehensive of India's own, are settled. What does he imagine would be India's fate were Germany to succeed in the endeavor upon which she has set forth? Such bitter accusation of England and such effort to arouse sentiment against her in a crisis so grave as that which now menaces all civilization is comparable only to the attempt of a man to stick in the back another who is fighting for both their lives.—*New York Times.*

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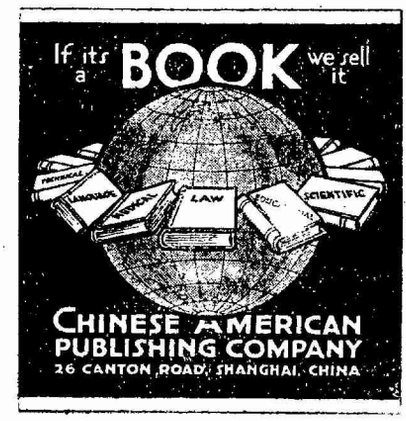

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The Wrong Process

A colored Baptist was exhorting:

"Now, breddern and sistern, come up to de altar and have yo' sins washed away."

All come up but one man.

"Why, Brudder Jones, don't yo' want yo' sins washed away?"

"I done had my sins washed away."

"Yo' has? Where yo' had yo' sins washed away?"

"Ober at de Methodist church."

"Ah, Brudder Jones, yo' ain't been washed; yo' jes' been dry-cleaned."

—*San Francisco Argonaut.*

IN THE UNITED STATES COURT FOR CHINA

Recent Filings.

March 11, Cause No. 619, King Ping Kee vs. American Food Manufacturing Company, demurrer.

" 12, Special (Testamentary) Proceeding No. 116, Last Will and Testament of Calista B. Downing, deceased; Letters Testamentary issued.

" 15, Cause No. 576, Fou Yen & Co. vs. The Barkley Company Inc.; Stipulation for continuance.

" 19, Cause No. 561, Chong Kee et al. vs. The Robert Dollar Company; Assignment of trial for April 8.

" 19, Cause No. 547, Feuerbach vs. Feuerbach; Interrogatories, on behalf of plaintiff.

" 19, For Consular Court, District of Hankow, In re Last Will and Testament of Lewis Peter Larsen, deceased; Order authorizing distribution after expiration of required period.

" 19, For Consular Court, District of Shanghai, In re Estate of George A. Forsaith, deceased; Order authorizing sale of assets.

" 20, Cause No. 644, In re Estate of Kate Landers, deceased; petition for Letters of Administration.

" 20, Cause No. 547, Feuerbach vs. Feuerbach; order for commission to take depositions in New Jersey; commission issued.

" 21, From Consular Court, District of Shanghai; Estate of Patrick J. Corrigan, deceased; inventory and schedule of debts.

" 21, Cause No. 644, In re Estate of Kate Landers, deceased; order appointing Administrator and containing notice to creditors; Letters of Administration issued to and bond filed by R. J. Bryan, Jr.

" 22, For Consular Court, District of Shanghai; In re Estate of Patrick J. Corrigan, deceased; order authorizing sale of assets.

" 22, Cause No. 569, In re Estate of Alice C. Gleysteen, deceased; inventory.

" 22, Cause No. 533, In re Estate of Florence I. Russell, deceased; Final Report and Account.

Hearings.

March 19, Cause No. 608, In re Last Will and Testament of Robert Edmund Lee, deceased; hearing on petition for probate.

" 21, Cause No. 644, In re Estate of Kate Landers, deceased; hearing on petition for administration.

Assignments for Hearing.

March 23, In re Estate of Thomas Bassett, deceased.

" 25, Cause No. 576, Fou Yen & Co. vs. The Barkley Co. Inc.

April 8, Cause No. 561, Chong Kee et al. vs. The Robert Dollar Co.

At the Shanghai Hotels

The following guests have registered at the Astor Housee Hote during the week: J. C. Parkin; Miss A. J. Guffin, Hangchow; W. F. Sokoll-Chinkinag; G. J. Dalton, Chinkiang; R. C. Pierce, Peking: F. C. Hitch, cock, Peking; Capt. and Mrs. Swain; S. F. Brome, Pungpu; K. Isekian, Yokohama; H. Dilikyan, Yokohama; Mrs. M. Brewer, San Francisco; Miss G. R. Parter, Chicago; W. Hughes, Bradford; Mr. and Mrs. L. M. J. van Slayter, Hongkong; M. J. McAneny, Hongkong; E. Gammeter, Hongkong; T. Meyrick; G. T. Sargent, Hangchow; Mr. and Mrs. B. T. Brown, Harbin; H. W. Daniel, Tsingtao; Mrs. Peterson; Miss Peterson; A. Jenkins, Tientsin; D. Gelcher; A. R. Jenkins; J. E. Brown; W. G. Peter, Penang; Mrs. H. W. Strang; G. Stirling; Dr. D. A. Topovici, Yokohama; Capt. Careson; R. Anderson; Sabine; Mr. and Mrs. J. P. Babcock, Soochow; J. P. Jameson, Nanking; E. W. Ames, Peking; S. H. Chen; G. Mould; H. B. Keller, Soochow; H. C. Taylor; G. Mansoy, Tientsin.

The following guests have registered at the Palace Hotel during the week: A. Kragff; Miss Van Pleck; J. L. Bowker; Gile Bertram; John E. Hope; C. Padaix; W. J. B. Waite; J. H. Taylor; F. C. Hershberger; Dr. D. Popories; W. Mordward; Macarthem; A. C. Carless; Joseph Fermi; Mrs. E. Alabaster; A. S. Sohulski; Paillet; Mrs. Macoun and three children; M. Burllot; T. L. Furierz.

The following guests have registered at the Grand Hoted Kalee during the week: Miss Schwartz; S. Bagger; Mr. and Mrs. A. E. Culver; D. Rodreguez; Mrs. P. Garreston; Chas. H. Kragh; Mr. and Mrs. M. Kawaji, Dairen; G. Staveakov, Kobe; H. Wuelch; E. C. Kopp; Miss E. H. Johnson.

IN THE UNITED STATES COURT FOR CHINA

In re Estate of
KATE LANDERS,
Deceased.

Cause No. 644
Estate No. 242
ORDER
Filed March 21, 1918.
PAUL McRAE
Acting Clerk.

This cause comes on for hearing upon the petition of Robert T. Bryan, Jr., for the issuance to him of Letters of Administration for the above entitled estate; said petition being presented, according to the evidence, upon request of the American Consul-General, it having been previously ascertained that the deceased has no relatives residing within the Court's jurisdiction and no creditors having appeared for that purpose.

The testimony of Messrs. John Kavanaugh and V. E. Scott having been taken, the Court finds therefrom;

1. That the said Kate Landers was an American citizen who died at Shanghai, China, on or about March 18, 1918;

2. That the said deceased left, within the territorial jurisdiction of this Court, money and other property of the value of more than Five Hundred Dollars, United States currency;

3. That the petitioner is a "person competent and qualified" to act as administrator of said estate within the requirements of the law and that in the absence of any relative or creditor of the deceased desiring so to act it is proper that the said petitioner be appointed.

It is accordingly considered and decreed that upon the petitioner taking and subscribing the oath required by law and filing a proper bond in the sum of Five Thousand Dollars ($5,000) United States currency, Letters of Administration issue to him; and all persons having claims against the said estate are hereby notified to present the same to the said Administrator, Robert J. Bryan Jr., at No. 179 North Szechuen Road, Shanghai, within six months from March 23, 1918.

And in order that all parties interested in the said estate may have notice of this Order and opportunity to present objections thereto if they so desire, it is further ordered that a copy of same be published once each week for four weeks commencing March 23, 1918, in Millard's Review of the Far East, a paper of general circulation in China and circulating also in the United States.

BY THE COURT,

CHARLES. S. LOBINGIER.
Judge.

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